

On Tuesday, Mr. Epstein was moved to a suicide-watch unit at the detention center where he is being held, after officers found him unconscious in his cell with marks on his neck, according to people familiar with the matter.

His July 6 arrest came amid criticism of a 2007 nonprosecution agreement with federal prosecutors in Florida, which he signed to resolve an investigation into similar allegations. As part of that deal, Mr. Epstein pleaded guilty in 2008 to state prostitution counts and spent much of his 13-month sentence outside prison due to work-release privileges.

In a court filing after his arrest this month, Mr. Epstein listed assets worth more than \$550 million, an accounting a federal prosecutor said in court “is more significant for what it does not include than what it does.” Mr. Epstein listed no debts, and no art; he gave no indication of foreign accounts.

People who have known or worked with Mr. Epstein over the past four decades say the figure likely doesn’t represent the full picture of his fortune. While he may have made money from overseas investments or other endeavors, the bulk of his wealth appears to have come from a small number of very wealthy clients.

Lawyers for Mr. Epstein didn’t respond to requests for comment.

Early in his career, Mr. Epstein forged profitable relationships, often by charming powerful people. As a math teacher at Manhattan’s elite Dalton School, he so impressed the father of one student that the father urged a friend—Bear Stearns Cos. Chief Executive Alan “Ace” Greenberg—to hire Mr. Epstein. Mr. Greenberg did so in 1976.

At Bear Stearns, Mr. Epstein worked for Michael Tennenbaum, a senior executive, selling the firm’s analyses of stock options to clients. Soon, Mr. Tennenbaum learned that Mr. Epstein had padded his resumé, falsely claiming to have graduated from Stanford University, Mr. Tennenbaum said in an interview and in a forthcoming memoir.

Mr. Epstein confessed, telling Mr. Tennenbaum he had embellished his background to get a teaching job, according to the book. “I wanted to tell you the truth,” he told Mr. Tennenbaum, who gave him a second chance.

Mr. Epstein was an effective salesman, say those who worked with him. He rubbed some executives the wrong way, however, becoming known for roaming the halls of the firm and treating his position with a certain nonchalance, two former executives said.

“He smiled and kidded around,” one former executive said. “It was all a game with him.”

In four years, Mr. Epstein became a limited partner. A year later he was let go, according to people at Bear Stearns, which was sold to JP Morgan Chase & Co. in spring 2008. He was alleged to have allocated shares of initial public offerings to people who shouldn’t have received them, according to people who worked with him. One person said Bear Stearns brought up alleged expense-report infractions and inaccuracies on Mr. Epstein’s brokerage registration form.

“The Bear period got him in touch with the big money,” recalls a former colleague. “It was his first taste.”

In 1982, he started J. Epstein & Co., which he pitched as a one-stop shop for wealth management—tax advice, estate planning, accounting—to extremely wealthy individuals in the U.S. and overseas. Those who worked or socialized with Mr. Epstein in the 1980s described him as a self-taught financial whiz who cultivated what one person described as an “aura of success.”