

USCG Due Diligence Report - Individual

DDR Name: Jeffrey Epstein ~

DDR Type: REVISED

DDR Status: Process Completed

Banker Information

Banker:

Paul V Morris/JPMCHASE

LE/OU:

Banker SID:

Banker BAC:

Banker FNEN:

Banker History:

03/04/2010 11:08:12 PM - CRD / Notrix changed: Banker from Mary C Casey/-  
JPMCHASE to Paul V Morris/JPMCHASE.

07/28/2006 11:00:04 PM - CRD / Notrix changed: Banker from Jeffrey M Matusow/-  
JPMCHASE to Mary C  
Casey/JPMCHASE.

07/15/2006 11:00:44 PM - CRD / Notrix changed: Banker from Mary C Casey/-  
JPMCHASE to Jeffrey M  
Matusow/JPMCHASE.

07/10/2006 11:00:44 PM - CRD / Notrix changed: Banker from Robert Baynard/-  
JPMCHASE to Mary C Casey/JPMCHASE.

07/07/2006 11:00:21 PM - CRD / Notrix changed: Banker from Jeffrey M Matusow/-  
JPMCHASE to Robert  
Baynard/JPMCHASE.

06/24/2006 11:00:45 PM - CRD / Notrix changed: Banker from Mary C Casey/-  
JPMCHASE to Jeffrey M  
Matusow/JPMCHASE.

01/19/2006 11:00:30 PM - CRD / Notrix changed: Banker from Mary Rieth/-  
JPMCHASE to Mary C Casey/JPMCHASE.

04/22/2005 10:10:28 PM - CRD / Notrix changed: Banker GID from 00000043917  
to U043917.

DM ID Link Information

The DM for this DDR is DM Name -JEFFREY E EPSTEIN CAS ID - 9710670708.

The following DDR's are associated with this Decision Maker .

DDR Name

116 East 65th St., LLC

Darren K. Indyke PLLC

EMMCAC, LLC

Epstein, Jeffrey

Financial Trust Company, Inc.

Financial Trust Company, Inc.

Freedom Air International, Inc.

HBRK Associates Inc.

Hyperion Air, Inc.

I-Correct.com LLC

Indyke, Darren K

Jege, Inc.

LYN & JOJO LLC



02/08/2004

12/10/2009

04/16/2003

01/30/2009

12/01/2008

12/02/2008

11/25/2008

01/28/2004

102/29338

N256838

8634--CHBG

01

JPMC Internal Use Only

Is this DDR being used for multiple entities?

Last Name:

First Name:

Middle Name/Initial:

Previous Last Name(s):

Title:

Business Name:

J. Epstein & Co.

(To Record Individual's Ownership Or Employer)

Primary Address

Addresses

(Legal address on account)

Name:

Attention:

Address Line 1:

Address Line 2:

City:

State:

Province:

Postal/Zip Code:

Country:

Legal Entity:

Industry Code:

Citizenship:

Date of Birth:

Gender:

Tax ID # :

Passport/Drivers

License #:

Home Phone:

( )Introduction

Information

Introduction Type:

Specific Information:

Met With Principal?

If you did not meet the Principal, give an indication of why you haven't met the individual and when you will.

N/A

What form of government issued identification document did you obtain for the files?

Driver's License

Financial Information

Other

Jeffrey Epstein is an existing client.

10065

USA

UNITED STATES

Jeffrey Epstein

c/o HBRK Associates

301 East 66th Street, Suite 10B

New York

NY  
(Other than Primary Address)  
Business Address  
Epstein  
Jeffrey  
Individual / Joint  
PRIVATE HOUSEHOLDS  
NAIC Code: 814100  
USA  
01/20/1953  
(Use 4-digit year)  
Male  
[REDACTED]

Remember to collect W-8's or other applicable tax forms for each jurisdiction.

Occupation, Business or Employer  
of the Client:

Net Worth of Client:

Documentation/ Information  
obtained to confirm stated net  
worth of the Client:

Source Of Wealth:

Please Describe:

Money manager

\$ 300 (USD millions)

accounts held at JPM, knowledge of ownership of certain assets, and public  
articles

Other

Epstein has made his wealth managing money for wealthy individuals

Other

(Provide detailed and specific  
information)

Epstein managed money for wealthy individuals, most notably Leslie Wexner  
until

02/08.

Transaction Profile/Expected Account Activity

What is the purpose/intended use of this  
account?

Operational/household checking accounts and custody account to hold money  
market funds.

Please select each "Product Type" that applies. Within each product type,  
please check ALL transaction types that apply  
and provide a description of expected account activity. (document expected  
sources of inflows and destinations of

transfers,countries, and types of payors/payees.Include where is the money  
coming from - example : A specific bank or

firm and purpose of specific transactions, if known)

Product Type - Select all that apply

Transaction Types - Select all that apply and expected  
activity level ( L = 1-5, M = 6-12, H =>12 transactions  
per month)

Deposit/Current Accounts

(Checking, Savings, Money Market)

Cash ( withdrawals/deposits) -

Check deposits / Check paid -

Wire Incoming & Outgoing

Internal Transfers

Other

Please describe in detail expected account activity for this product :

-  
-  
-

Account is used for  
maintenance of his  
various homes and  
lifestyle expenses;

not unusual for the client to pull cash out up to \$50K. Personal accts. are primarily funded from Mr. Epstein's personal investment entity (which invests mostly in JPM MM Funds).

Investment Products  
(Custody, Brokerage, Agency, Margin)  
Cash ( withdrawals/deposits) Check deposits / Check paid -  
Wire Incoming & Outgoing -  
Internal Transfers  
Purchase & Sells

-  
-  
Anticipated \$  
Amount Totals per  
month – Please  
provide at least an  
estimate

\$10000 to \$25000

\$500000 to \$1MM

\$1MM to \$5MM

\$1MM to \$5MM

Below \$1MM

\$1MM to \$5MM

Other

-

Please describe in detail expected account activity for this product :

Fiduciary

(Investment Mgmt. / Trust)

Custody account

currently holds a

money market fund.

Credit type facilities

(Line of Credit, Mortgage, Letter of Credit)

Required Security Services Checks

Security Search Type:

Note for Security Services:

Please list any specific search

requests/instructions to Security

Services here

Security Services Information

A Security Services Check is REQUIRED for New Clients and Prospects

This section to be completed by the Security Services Group:

List Individuals and Corporate Entities Investigated:

Attachment:

Please Note: All research is subject to the availability of electronic database resources.

Full

Please update with any new information since the last search was conducted.

Please

include all information as this will be the primary DDR that will be used for annual

review for Jeffrey Epstein.

Search Type

Is

Security Service Details:

Further

Review

by

Banker

Require

d?

Company Information

No

Information not confirmed; details included in the attachment.

Reference section of the DDR titled "Red Dot (derogatory

information) identified:" to view the specifics on the adverse information GS&I has identified for this account

Corporate Records

Other Database Searches

(RDC/CDC/MIS)

No

No

No records were found.

No RDC/CDC/MIS records were found.

Sex Offender: Information confirmed; details included in the attachment.

-----CSSS:

Information

confirmed; details included in the attachment.

Reference section of the DDR titled "Red Dot (derogatory information) identified:" to view the specifics on the adverse information GS&I has identified for this account.

Civil Court Action

Federal & State Court

Action

Personal Particulars

Publications

No

No

No

No

No records were found.

No records were found.

No additional research necessary.

Information confirmed; details included in the attachment.

Reference section of the DDR titled "Red Dot (derogatory information) identified:" to view the specifics on the adverse information GS&I has identified for this account.

Regulatory Sanctions

No

No records were found.

Banker

Response:

OFAC/Control List Search No

No records were found.

Has this been identified as a Red Dot DDR? :

Red Dot (derogatory information) Identified:

Red Dot information is any derogatory information identified by Global Security Services which warrants the attention of the banker. The presence of "Red Dot" information does not necessarily mean that an existing relationship will be exited or a potential client relationship not pursued. The banker should document any conversations that have taken place with the client/prospect, if any, with regard of the issue and whether or not this impacts his/her, or management's decision to continue with or accept the person/entity as a client.

Security Service Details (Include DDR names in which this was previously reported, if any)

Proceed with or maintain the client relationship

Yes / No

Banker Response (If "Yes", please provide your rationale for proceeding with or maintaining the client relationship. If "No", please specify steps that will be taken)

The following information was previously reported to Mary C Casey on 09/21/2006 under the account YHS, LLC (DDR # 7391/06):

Several newspaper articles were found that detail the indictment of Jeffrey Epstein in Florida on felony charges of soliciting underage prostitutes. Jeffrey Epstein served 13 months in jail.

As of 3/4/2011:

Numerous articles detail various law enforcement agencies investigating Jeffrey Epstein for allegedly participating in child trafficking and molesting underage girls.

Jeffrey Epstein is required to register as a sex offender. Jeffrey Epstein has settled a dozen civil lawsuits out of court from his victims regarding solicitation for an undisclosed amount.

MC2 Model Management received \$1 million from Epstein in 2005. It is unknown if the money was given as a secret investment or payment for services as a procurer.

Jean Luc Brunel, owner of MC2 Model Management and Jeffrey Epstein engaged in racketeering that involved luring in minor children for sexual play for money. In addition, Brunel was a frequent passenger on Epstein's private jet and often visited Epstein in jail.

MC2 Model Management was issued a citation by the Florida Business and Professional Regulation for acting

as a talent agent without a license.

MC2 Model Management LLC has two outstanding federal tax liens totaling \$593,789 (\$443,728 + \$150,061).

Expense No.:

Total Costs:

Signed by:

Dated:

99/137001

\$0.00

Ashish S Patel

03/07/2011 01:25:02 PM

As per internal discussions

Individual Checks

Date

Comments

Background Check

(Required If Check

Carried Out)

02/12/2009

(Required If Check Carried Out)

Jeffrey Epstein is an existing client of PB. In years past, he was an active brokerage client, particularly foreign

exchange, and as of this year he is a custody-only client. Formerly, Jeffrey Epstein was a money manager for high net individuals, most notably Leslie Wexner. Wexner was a JPM client and then retained Epstein as his advisor in the late 90s. Mr. Wexner terminated his relationship with Epstein in 02/2008.

Epstein is well known to several JPM PB employees and to Jes Staley. The purpose of this DDR is to refresh our due diligence on Mr. Epstein. Mr. Epstein was convicted of a felony charge in 2008. Jes Staley conferred with Stephen Cutler and the decision was made to keep Mr. Epstein as a PB client.

#### Summary

#### Summary Of Findings:

Jeffrey Epstein is an existing client of PB. In years past, he was an active brokerage client.

Formerly, Jeffrey Epstein was a money manager for high net worth individuals, most notably Leslie Wexner. Wexner was a JPM client and then retained Epstein as his advisor in the late 90s. Mr. Wexner terminated his relationship with Epstein in 02/2008.

Mr. Epstein is well known to several JPM PB employees and to Jes Staley. Mr. Epstein was convicted of a felony charge in 2008 and was to serve an 18-month prison sentence. Jes Staley conferred with Stephen Cutler and the decision was made to keep Mr. Epstein as a client.

6-18-10: Mr. Epstein is currently serving out his house arrest. Our view is that Mr. Epstein has served his time and completing his duties to society. We are assessing the situation closely and monitoring the occasional news stories regarding Mr. Epstein and civil lawsuits. Mr. Epstein is managing his own personal wealth.

January 27, 2011 update: A few news stories during 2010 connects Jeffrey Epstein to

human trafficking. The coverage team along with Catherine Keating and William Langford

all met to discuss the situation and agreed to enhance monitoring and document a

discussion with the client. Jes Staley discussed the topic with Jeffrey Epstein who replied

there was no truth to the allegations, no evidence and was not expecting any problems.

We will continue to monitor the accounts and cash usage closely going forward.

Anticipated Product(s)

Custody

Deposits

Number Assignments

Standalone Entity?

If this legal entity is or will be a Client (PCN) or Prospect answer YES.

If this legal entity is or will be part of an Existing PCN relationship answer NO.

If "No" above, then indicate the Client (PCN):

Ultimate Customer Number (UCN):

Optionally, you may

indicate the Affiliation Number:

SPN Required?

SPN#:

1405152

CAS ID:

9710670708

1405152

9710670708

Approval Information

Public/High Profile Figure

Yes

If a Public/High Profile figure,  
please select one of the following:

Other

If other please describe:

Convicted Felon

Public/High Profile Figures: Explain the individual's  
position as/association with a senior political  
official/prominent person

High Risk Jurisdiction

High Risk Business

Banker:

LE/OU:

Senior Manager:

Area Head:

No

No

Paul V Morris/JPMCHASE

102/29338

Marcus Sheridan/JPMCHASE

Catherine Keating/JPMCHASE

Annual / Periodic Review Information

Annual/Periodic Review

Due in:

12 months

This annual/periodic review is for DMID # 9710670708 - DMID Name: JEFFREY E  
EPSTEIN

The actual review is being conducted within the Ranch Lake III, Inc. DDR.

Banker Approval Information

Sponsorship affirmation -

Based on my due diligence and the information provided , I approve and  
accept sponsorship of Jeffrey Epstein ~ as a

Client from inception and throughout the client relationship.

Paul V Morris 03/07/2011 02:37:45 PM

Senior Manager Approval Information

Based on the information provided and the approval granted by Paul V Morris,  
I approve the acceptance of Jeffrey Epstein ~

as a Client.

Marcus Sheridan 03/29/2011 10:44:53 AM

Area Head Approval Information

Based on the information provided and the approval granted by Paul V Morris  
and Marcus Sheridan, I approve the

acceptance of Jeffrey Epstein ~ as a Client

Catherine Keating 04/14/2011 04:55:58 PM

Quality Reviewer Information

1st Quality Review Comment:

2nd Quality Review Comment:

3rd Quality Review Comment:

Bonnie K Perry on 1/12/2009 10:23:42 AM Comments : Ok to approve.

Bonnie K Perry on 6/9/2010 2:42:34 PM Comments : DDR needs to include more up to date information as to Mr. Epstein's current circumstances.

Bonnie K Perry on 6/28/2010 1:42:40 PM Comments : Exceptions have been addressed. Review of account activity did not reveal anything out of the ordinary.

Personal accounts are typically funded from Jeffrey Epstein's investment entity and then Mr. Epstein disburses money to various other accounts used in support of his

homes, legal fees, insurance, etc. Ok to approve.

4th Quality Review Comment:

5th Quality Review Comment:

Admin Comments

Admin Comments:

By:

Date:

Admin Comments History :

Document History

Created: 05/12/2003

Last Modified: 04/14/2011

Submitted: 03/29/2011 10:44:53 AM

Audit History

38. 'Area Head Approval' performed by: Catherine Keating on: 04/14/2011 04:56:13 PM

37. Quality Review performed by: Bonnie K Perry on: 04/01/2011 05:22:48 PM

36. 'Senior Manager Approval' performed by: Marcus Sheridan on: 03/29/2011 10:44:53 AM

35. Button: 'Change Senior Manager' performed by: Bonnie K Perry on: 03/07/2011 04:31:17 PM

34. 'Banker Approval' performed by: Paul V Morris on: 03/07/2011 02:37:48 PM

33. Submitted for Banker Approval SS Type = Full performed by: Ashish S Patel on: 03/07/2011 01:25:05 PM

32. Changed DDR Status from: Awaiting Banker Approval to Awaiting Security Services Research performed by: Mary E

Meisner on: 03/07/2011 12:07:48 PM

31. Submitted for Banker Approval SS Type = Full performed by: John J O'reilly on: 03/04/2011 04:30:08 PM

30. Button: 'Flag: Security Check has begun' performed by: John J O'reilly on: 03/04/2011 04:29:39 PM

29. Button: 'Print' performed by: Ligaya X Felismino-Stesner on: 02/22/2011 04:10:12 PM

28. Submitted for Security Services Approval performed by: Paul V Morris on: 02/22/2011 02:35:45 PM

27. Button : 'Update/Revise DDR' performed by: Paul V Morris on: 02/22/2011 02:21:53 PM

26. Area Head Approved on Behalf of Catherine Keating because designated Area Head is Confirmed with Catherine on

7/9/10 performed by: Dustin F Kennedy on: 07/09/2010 03:00:18 PM

25. Quality Review performed by: Bonnie K Perry on: 06/28/2010 01:42:58 PM

24. Changed DDR Status from: Awaiting Banker Approval to Awaiting Area Head Approval performed by: Bonnie K Perry on:

06/28/2010 01:38:01 PM

23. Changed DDR Status from: Awaiting Area Head Approval to Awaiting Banker Approval performed by: Bonnie K Perry on:

06/28/2010 01:32:45 PM

22. 'Senior Manager Approval' performed by: Mary C Casey on: 06/18/2010

12:57:11 PM

21. 'Banker Approval' performed by: Paul V Morris on: 06/18/2010 12:11:19 PM
20. Changed DDR Status from: Awaiting Senior Manager Approval to Awaiting Banker Approval performed by: Bonnie K Perry on: 06/09/2010 03:05:18 PM
19. Quality Review performed by: Bonnie K Perry on: 06/09/2010 02:42:42 PM
18. 'Banker Approval' performed by: Paul V Morris on: 06/08/2010 01:34:50 PM
17. Submitted for Banker Approval SS Type = Full performed by: Viktoriya X Ignatenko on: 04/16/2010 10:12:12 AM
16. Button: 'Print' performed by: Javia S Hairston on: 04/12/2010 10:39:27 AM
15. Submitted for Security Services Approval performed by: Bonnie K Perry on: 04/09/2010 06:17:44 PM
14. Button : 'Update/Revise DDR' performed by: Bonnie K Perry on: 04/09/2010 06:14:18 PM
13. 'Area Head Approval' performed by: Catherine Keating on: 02/24/2009 09:02:12 AM
12. 'Senior Manager Approval' performed by: Marcus Sheridan on: 02/12/2009 06:31:53 PM
11. 'Banker Approval' performed by: Mary C Casey on: 02/12/2009 01:26:59 PM
10. Changed DDR Status from: Awaiting Area Head Approval to Awaiting Banker Approval performed by: James Dalessio on: 01/12/2009 03:40:22 PM
9. Quality Review performed by: Bonnie K Perry on: 01/12/2009 10:23:52 AM
8. 'Senior Manager Approval' performed by: Marcus Sheridan on: 12/16/2008 12:58:02 PM
7. 'Banker Approval' performed by: Mary C Casey on: 12/12/2008 12:40:38 PM
6. Submitted for Banker Approval SS Type = Full performed by: Matthew P Hynson on: 12/10/2008 02:06:23 PM
5. Button: 'Flag: Security Check has begun' performed by: Ligaya X Felismino-Stesner on: 12/02/2008 02:20:42 PM
4. Button: 'Print' performed by: Ligaya X Felismino-Stesner on: 12/02/2008 02:18:15 PM
3. Submitted for Security Services Approval performed by: Mary C Casey on: 12/02/2008 01:58:52 PM
2. High Risk Business set to 'No' because Epstein is a high profile/-controversial figure (as noted) but does not run a high risk business. - performed by: Mary C Casey on: 12/02/2008 01:56:23 PM
1. Button : 'Update/Revise DDR' performed by: Mary C Casey on: 12/02/2008 11:58:59 AM

Converted Tracking Document History:

1. Client Manager Approval by: Mary Rieth on 05/28/2003 08:34:02 AM.
2. Senior Manager Approval by: Tad C Smith on 05/28/2003 09:04:12 AM.
3. Awaiting Security Services Research by: Mary Rieth on 05/14/2003 11:15:48 AM.
4. Security Services Sign-Off by: Vanessa A Budhu on 05/21/2003 10:25:48 AM. DDR would not allow annual review. There is an error message that another DDR within the relationship is already undergoing annual review, therefore this DDR did not produce an annual review alert in February as it should have.  
Bonnie K Perry/JPMCHASE

04/09/2010 06:19:17 PM

Bonnie K Perry on 4/1/2011 5:22:43 PM Comments : DDR was updated to include additional information with regard of the client's situation. Accts. are being closely monitored by AML Ops.

By: Mary Rieth

By: Catherine Keating

By: Marcus Sheridan

CN=Ujwala Srinath/0=JPMCHASE: Relationship Activity Summary - Jeffrey  
Epstein - 9710670708 - 2010.pdf  
CN=Ujwala Srinath/0=JPMCHASE: 1309811B.doc  
CN=Ujwala Srinath/0=JPMCHASE: 2065010B.doc  
CN=Ujwala Srinath/0=JPMCHASE: 1137404B.doc  
CN=Ujwala Srinath/0=JPMCHASE: 210203B.doc  
CN=Ujwala Srinath/0=JPMCHASE: 739106B.doc  
CN=Ujwala Srinath/0=JPMCHASE: 742010B.doc  
CN=Ujwala Srinath/0=JPMCHASE: 10071008B.doc  
CN=Ujwala Srinath/0=JPMCHASE: STG04444

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