(199) On or about July 22, 2005, Defendants JEFFREY EPSTEIN and [redacted] traveled from [redacted] to Palm Beach County, Florida aboard the Gulfstream aircraft owned by Hyperion Air, Inc.

(200) On or about August 18, 2005, Defendants JEFFREY EPSTEIN, [redacted], a/k/a "[redacted]" and [redacted] traveled from [redacted] to Palm Beach County, Florida aboard the Gulfstream aircraft owned by Hyperion Air, Inc.

(201) On or about August 18, 2005, Defendant [redacted] placed one or more telephone calls to a telephone used by Jane Doe #17.

(202) On or about August 19, 2005, Defendant [redacted], a/k/a "[redacted]" placed one or more telephone calls to a telephone used by Jane Doe #17.

(203) On or about August 21, 2005, Defendant [redacted] placed one or more telephone calls to a telephone used by Jane Doe #17.

(204) On or about September 3, 2005, Defendants JEFFREY EPSTEIN and [redacted], a/k/a "[redacted]" traveled from the U.S. Virgin Islands to Palm Beach County, Florida aboard the Gulfstream aircraft owned by Hyperion Air, Inc.

(205) On or about September 3, 2005, Defendant [redacted], a/k/a "[redacted]" placed one or more telephone calls to a telephone used by Jane Doe #17.

(206) On or about September 18, 2005, Defendant [redacted] placed one or more telephone calls to a telephone used by Jane Doe #17.

(207) On or about September 18, 2005, Defendants JEFFREY EPSTEIN, [redacted], and [redacted], a/k/a "[redacted]" traveled from

[redacted] to Palm Beach County, Florida aboard the Gulfstream aircraft owned by Hyperion Air, Inc.

(208) On or about September 18, 2005, Defendant [redacted] sent a text message to a telephone used by Jane Doe #17.

(209) On or about September 29, 2005, Defendant [redacted] placed one or more telephone calls to a telephone used by Jane Doe #17.

(210) On or about September 29, 2005, Defendants JEFFREY EPSTEIN, [redacted], a/k/a "[redacted]" and [redacted] traveled from [redacted] to Palm Beach County, Florida aboard the Gulfstream aircraft owned by Hyperion Air, Inc.

(211) On or about September 30, 2005, Defendant [redacted], a/k/a "[redacted]" placed one or more telephone calls to a telephone used by Jane Doe #17.

(212) On or about October 1, 2005, Defendant [redacted] left a telephone message for Defendant JEFFREY EPSTEIN stating: "[Jane Doe #14] confirmed at 11 AM and [Jane Doe #17] – 4PM".

(213) On or about October 2, 2005, Defendant [redacted] placed one or more telephone calls to a telephone used by Jane Doe #17.

(214) On or about October 3, 2005, Defendant [redacted] caused one or more telephone calls to a telephone used by Jane Doe #17.

(215) On or about October 3, 2005, Defendant [redacted] left a telephone message for Defendant JEFFREY EPSTEIN stating: "[Jane Doe #17] will be ½ hour late".

(216) In or around the first week of October of 2005, Defendant JEFFREY EPSTEIN engaged in sexual intercourse with Jane Doe #17, who was then a seventeen-year-old girl.

(217) In or around the first week of October of 2005, Defendant JEFFREY EPSTEIN made a payment of $350.00 to Jane Doe #17, who was then a seventeen-year-old girl.

All in violation of Title 18, United States Code, Sections 371 and 2.

COUNT 2
(Conspiracy to Travel: 18 U.S.C. § 2423(e))

25. Paragraphs 1 through 19 of this indictment are re-alleged and incorporated by reference as fully set for the herein.

26. From at least as early as 2001 through in or around October 2005, the exact dates being unknown to the Grand Jury, the defendants,

JEFFREY EPSTEIN,
[redacted] a/k/a [redacted]
and
[redacted]

did knowingly and willfully conspire with each other and with others known and unknown to travel in interstate commerce for the purpose of engaging in illicit sexual conduct, as defined in 18 U.S.C. § 2423(f), with another person, in violation of Title 18, United States Code, Section 2423(b); all in violation of Title 18, United States Code, Section 2423(e).

COUNT 3
(Facilitation of Unlawful Travel of Another: 18 U.S.C. § 2423(d))

27. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

28. From at least as early as in or about 2001 through in or around October 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendant,

[redacted]

did, for the purpose of commercial advantage or private financial gain, arrange and facilitate the travel of a person, that is Defendant Jeffrey Epstein, knowing that such person was traveling in

interstate commerce for the purpose of engaging in illicit sexual conduct, as defined in 18 U.S.C. § 2423(f); in violation of Title 18, United States Code, Section 2423(d).

COUNT 4
(Sex Trafficking: 18 U.S.C. § 1591(a)(2))

29. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

30. From at least as early as in or about 2001 through in or about October 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

[redacted], a/k/a "[redacted]",
and
[redacted],

did knowingly benefit, financially or by receiving anything of value, from participation in a venture, as defined in 18 U.S.C. § 1591(c)(3), which had engaged in an act described in violation of 18 U.S.C. § 1591(a)(1), that is, the recruiting, enticing, providing, and obtaining by any means a person, in or affecting interstate commerce, knowing that the person or persons had not attained the age of 18 years and would be caused to engage in a commercial sex act as defined in 18 U.S.C. § 1591(c)(1); in violation of Title 18, United States Code, Sections 1591(a)(2), 1591(b)(2), and 2.

COUNT 5
(Enticement of a Minor: 18 U.S.C. § 2422(b))

31. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

32. From in or around the spring of 2003 through on or about October 2, 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN
and
[redacted]

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #4, who was a person who had not attained the age of 18 years, to engage in prostitution and in a sexual activity for which a person can be charged with a criminal offense, that is violations of Florida Statutes Sections 800.04(5)(a), 800:04(6)(a), and 800.04(7)(a); in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 6
(Enticement of a Minor: 18 U.S.C. § 2422(b))

33. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

34. In or around March 2004, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN
and
[redacted]

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #5, who was a person who had not attained the age of 18 years, to engage in prostitution; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 7

(Enticement of a Minor: 18 U.S.C. § 2422(b))

35. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

36. From in or around April 2004 through on or around June 29, 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN,
[redacted] and
[redacted], a/k/a "[redacted]",

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #6, who was a person who had not attained the age of 18 years, to engage in prostitution; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 8
(Enticement of a Minor: 18 U.S.C. § 2422(b))

37. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

38. In or around July 2004, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN
and
[redacted]

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #7, who was a person who had not attained the age of 18 years, to engage in prostitution; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 9
(Enticement of a Minor: 18 U.S.C. § 2422(b))

39. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

40. From in or around July 2004 through on or around December 29, 2004, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN

[redacted] a/k/a [redacted],

and

[redacted],

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #8, who was a person who had not attained the age of 18 years, to engage in prostitution and in a sexual activity for which a person can be charged with a criminal offense, that is a violation of Florida Statutes Section 794.05; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 10
(Enticement of a Minor: 18 U.S.C. § 2422(b))

41. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

42. From in or around July 2004 through on or about January 31, 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN,

[redacted] a/k/a [redacted],
and [redacted],

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #9, who was a person who had not attained the age of 18 years, to engage in prostitution; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 11
(Enticement of a Minor: 18 U.S.C. § 2422(b))

43. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

44. From in or around the middle of 2004 through on or about April 22, 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN
and
[redacted]

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #10, who was a person who had not attained the age of 18 years, to engage in prostitution; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 12
(Enticement of a Minor: 18 U.S.C. § 2422(b))

45. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

46. From in or around August 2004 through on or about May 27, 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN,
[redacted] and
[redacted] a/k/a "[redacted]"

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #11, who was a person who had not attained the age of 18 years, to engage in prostitution; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 13
(Enticement of a Minor: 18 U.S.C. § 2422(b))

47. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

48. From in or around November 2004 through in or around March 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN,
[redacted] and
[redacted] a/k/a "[redacted]"

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #13, who was a person who had not attained the age of 18 years, to engage in prostitution and in a sexual activity for which a person can be charged with a criminal

offense, that is a violation of Florida Statutes Section 794.05; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 14
(Enticement of a Minor: 18 U.S.C. § 2422(b))

49. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

50. From in or around December 2004 through on or about June 5, 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN,
[redacted] and
[redacted] a/k/a "[redacted]",

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #14, who was a person who had not attained the age of 18 years, to engage in prostitution; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 15
(Enticement of a Minor: 18 U.S.C. § 2422(b))

51. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

52. In or around December 2004, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN
and
[redacted]

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #15, who was a person who had not attained the age of 18 years, to engage in prostitution; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 16
(Enticement of a Minor: 18 U.S.C. § 2422(b))

53. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

54. In or around February 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN
and
[redacted]

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #16, who was a person who had not attained the age of 18 years, to engage in prostitution and in a sexual activity for which any person can be charged with a criminal offense, that is violations of Florida Statutes Sections 800.04(5)(a), 800.04(6)(a), and 800.04(7)(a); in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 17
(Enticement of a Minor: 18 U.S.C. § 2422(b))

55. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

56. From in or around February 2005 through in or around the first week of October 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN,

[redacted] a/k/a [redacted]

and [redacted],

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce or entice Jane Doe #17, who was a person who had not attained the age of 18 years, to engage in prostitution and in a sexual activity for which a person can be charged with a criminal offense, that is a violation of Florida Statutes Section 794.05; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNT 18
(Enticement of a Minor: 18 U.S.C. § 2422(b))

57. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

58. From in or around February 2005 through in or around April 2005, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

JEFFREY EPSTEIN,

[redacted] and

[redacted] a/k/a [redacted],

did use a facility or means of interstate commerce, that is, the telephone, to knowingly persuade, induce and entice Jane Doe #18, who was a person who had not attained the age of 18 years, to engage in prostitution; in violation of Title 18, United States Code, Sections 2422(b) and 2.

COUNTS 19 THROUGH 22
(Travel to Engage in Illicit Sexual Conduct: 18 U.S.C. § 2423(b))

59. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

60. On or about the dates enumerated as to each count listed below, from a place outside the Southern District of Florida to a place inside the Southern District of Florida, the Defendant(s) listed below traveled in interstate commerce for the purpose of engaging in illicit sexual conduct as defined in 18 U.S.C. § 2423(f), with a person under 18 years of age, that is, the person(s) listed in each count below:

COUNT	DATE(S)	MINOR(S) INVOLVED	DEFENDANT(S)
19	7/16/2004	Jane Doe #7 Jane Doe #8 Jane Doe #9	JEFFREY EPSTEIN [redacted]
20	3/31/2005	Jane Doe #6 Jane Doe #13 Jane Doe #14 Jane Doe #16 Jane Doe #17	JEFFREY EPSTEIN [redacted] a/k/a " [redacted]
21	9/18/2005	Jane Doe #17	JEFFREY EPSTEIN [redacted] a/k/a " [redacted]
22	9/29/05	Jane Doe #17	JEFFREY EPSTEIN [redacted] a/k/a " [redacted]

All in violation of Title 18, United States Code, Sections 2423(b) and 2.

COUNTS 23 THROUGH 32

(Sex Trafficking: 18 U.S.C. § 1591(a)(1))

61. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

62. On or about the dates enumerated as to each count listed below, the exact dates being unknown to the Grand Jury, in Palm Beach County, in the Southern District of Florida, and elsewhere, the Defendants listed below did knowingly, in and affecting interstate and foreign commerce, recruit, entice, provide, and obtain by any means a person, that is, the person in each count listed below, knowing that the person had not attained the age of 18 years and would be caused to engage in a commercial sex act as defined in 18 U.S.C. § 1591(c)(1):

COUNT	DATE(S)	MINOR(S) INVOLVED	DEFENDANT(S)
23	2001 - 2004	Jane Doe #2	JEFFREY EPSTEIN [redacted]
24	April 2004 through June 29, 2005	Jane Doe #6	JEFFREY EPSTEIN [redacted] a/k/a [redacted]
25	July 2004	Jane Doe #7	JEFFREY EPSTEIN [redacted]
26	July 2004 through December 29, 2004	Jane Doe #8	JEFFREY EPSTEIN [redacted] a/k/a [redacted]
27	July 2004 through January 31, 2005	Jane Doe #9	JEFFREY EPSTEIN [redacted] a/k/a [redacted]

COUNT	DATE(S)	MINOR(S) INVOLVED	DEFENDANT(S)
28	Mid-2004 through April 22, 2005	Jane Doe #10	JEFFREY EPSTEIN [redacted]
29	August 2004 through May 27, 2005	Jane Doe #11	JEFFREY EPSTEIN [redacted] a/k/a [redacted]
30	November 2004 through March 2005	Jane Doe #13	JEFFREY EPSTEIN [redacted] a/k/a [redacted]
31	December 2004 through June 5, 2005	Jane Doe #14	JEFFREY EPSTEIN [redacted] a/k/a [redacted]
32	February 2005 through first week of October 2005	Jane Doe #17	JEFFREY EPSTEIN [redacted] a/k/a [redacted]

All in violation of Title 18, United States Code, Sections 1591(a)(1) and 2.

FORFEITURE 1

Upon conviction of the violation alleged in Count 1 of this indictment, the defendants, JEFFREY EPSTEIN, [redacted], a/k/a '[redacted] and [redacted] shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the violation.

Pursuant to Title 28, United States Code, Section 2461; Title 18, United States Code, Section 981(a)(1)(C); and Title 21, United States Code, Section 853.

If the property described above as being subject to forfeiture, as a result of any act or omission of the defendants, JEFFREY EPSTEIN, [redacted] a/k/a "[redacted]" and [redacted],

(1) cannot be located upon the exercise of due diligence;

(2) has been transferred or sold to, or deposited with a third person;

(3) has been placed beyond the jurisdiction of the Court;

(4) has been substantially diminished in value; or

(5) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendants up to the value of the above forfeitable property.

All pursuant to Title 28 United States Code, Section 2461; Title 18, United States Code, Section 981(a)(1)(C); and Title 21 United States Code, Section 853.

FORFEITURE 2

Upon conviction of any of the violations alleged in Counts 2, 3, 5-50, 59, 60, of this indictment, the defendants, JEFFREY EPSTEIN, [redacted] a/k/a "[redacted]" and [redacted], shall forfeit to the United States any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and any property, real or personal, used or intended to be used to

commit or to promote the commission of such offense, including but not limited to the following:

a. A parcel of land located at [redacted], Palm Beach, Florida 33480, including all buildings, improvements, fixtures, attachments, and easements found therein or thereon, and more particularly described as:

> Being all of [redacted] as recorded in [redacted], in the records of Palm Beach County, Florida and
>
> BEING that portion lying [redacted], as recorded in [redacted], Public Records of Palm Beach County, Florida, being bounded on the West by the West side of an existing concrete seawall and the northerly extension thereof as shown on the Adair & Brady, Inc., drawing [redacted], and bounded on the East by the shoreline as shown on the plat of [redacted] and bounded on the North and South by the Westerly extensions of the North and South lines respectively of [redacted], containing 0.07 acres, more or less.

Pursuant to Title 18, United States Code, Section 2253.

If any of the forfeitable property described in the forfeiture section of this indictment, as a result of any act or omission of the defendants JEFFREY EPSTEIN, [redacted] a/k/a "[redacted]" and [redacted],

(a) cannot be located upon the exercise of due diligence;

(b) has been transferred or sold to, or deposited with, a third person;

(c) has been placed beyond the jurisdiction of the Court;

(d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 18, United States Code, Section 2253(o), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

Pursuant to Title 18, United States Code, Section 2253.

FORFEITURE 3

Upon conviction of any of the violations alleged in Counts 4, 51-58, of this indictment, the defendants, JEFFREY EPSTEIN, [redacted] a/k/a "[redacted] and [redacted], shall forfeit to the United States any property, real or personal, that was used or intended to be used to commit or to facilitate the commission of such violation; and any property, real or personal, constituting or derived from any proceeds that such person obtained, directly or indirectly, as a result of such violation, including but not limited to the following:

a. A parcel of land located at [redacted], Palm Beach, Florida 33480, including all buildings, improvements, fixtures, attachments, and easements found therein or thereon, and more particularly described as:

Being all of [redacted], as recorded in [redacted], in the records of Palm Beach County, Florida and

BEING that portion lying West of [redacted], [redacted], as recorded in [redacted] Public

Records of Palm Beach County, Florida, being bounded on the West by the West side of an existing concrete seawall and the northerly extension thereof as shown on the Adair & Brady, Inc., drawing [redacted], and bounded on the East by the shoreline as shown on the plat of [redacted], and bounded on the North and South by the Westerly extensions of the North and South lines respectively of [redacted] containing 0.07 acres, more or less.

Pursuant to Title 18, United States Code, Section 1594(b).

A TRUE BILL.

_____

FOREPERSON

_____

R. ALEXANDER ACOSTA
UNITED STATES ATTORNEY

_____

[redacted]
ASSISTANT UNITED STATES ATTORNEY

U.S. Department of Justice

United States Attorney
Southern District of Florida

[redacted]
West Palm Beach, FL 33401
[redacted]
Facsimile: [redacted]

December 13, 2007

DELIVERY BY ELECTRONIC MAIL
Jay P. Lefkowitz, Esq.
Kirkland & Ellis LLP
[redacted]
New York, New York 10022-4675

Re: Jeffrey Epstein

Dear Jay:

I am writing not to respond to your asserted "policy concerns" regarding Mr. Epstein's Non-Prosecution Agreement, which will be addressed by the United States Attorney, but the time has come for me to respond to the ever-increasing attacks on my role in the investigation and negotiations.

It is an understatement to say that I am surprised by your allegations regarding my role because I thought that we had worked very well together in resolving this dispute. I also am surprised because I feel that I bent over backwards to keep in mind the effect that the agreement would have on Mr. Epstein and to make sure that you (and he) understood the repercussions of the agreement. For example, I brought to your attention that one potential plea could result in no gain time for your client; I corrected one of your calculations of the Sentencing Guidelines that would have resulted in Mr. Epstein spending far more time in prison than you projected; I contacted the Bureau of Prisons to see whether Mr. Epstein would be eligible for the prison camp that you desired; and I told you my suspicions about the source of the press "leak" and suggested ways to avoid the press. Importantly, I continued to work with you in a professional manner even after I learned that you had been proceeding in bad faith for several weeks – thinking that I had incorrectly concluded that solicitation of minors to engage in prostitution was a registrable offense and that you would "fool" our Office into letting Mr. Epstein plead to a non-registrable offense. Even now, when it is clear that neither you nor your client ever intended to abide by the terms of the agreement that he signed, I have never alleged misconduct on your part.

The first allegation that you raise is that I "assiduously" hid from you the fact that [redacted] is a friend of my [redacted] and that I have a "longstanding relationship" with Mr. [redacted]

I informed you that I selected Mr. [redacted] because he was a friend and classmate of two people whom I respected, and that I had never met or spoken with Mr. [redacted] prior to contacting him about this case. All of those facts are true. I still have never met Mr. [redacted] and, at the time that he and I spoke about this case, he did not know about my relationship with his friend. You suggest that I should have explicitly informed you that one of the referrals came from my [redacted] rather than simply a [redacted] which is the term I used, but it is not my nature to discuss my [redacted] with opposing counsel. Your attacks on me and on the victims establish why I wanted to find someone whom I could trust with safeguarding the victims' best interests in the face of intense pressure from an unlimited number of highly skilled and well paid attorneys. Mr. [redacted] was that person.

One of your letters suggests a business relationship between Mr. [redacted] and [redacted]. This is patently untrue and neither my [redacted] nor I would have received any financial benefit from Mr. [redacted] appointment. Furthermore, after Mr. [redacted] learned more about Mr. Epstein's actions (as described below), he expressed a willingness to handle the case *pro bono*, with no financial benefit even to himself. Furthermore, you were given several other options to choose from, including the Podhurst firm, which was later selected by [redacted]. You rejected those other options.

You also allege that I improperly disclosed information about the case to Mr. [redacted]. I provided Mr. [redacted] with a bare bones summary of the agreement's terms related to his appointment to help him decide whether the case was something he and his firm would be willing to undertake. I did not provide Mr. [redacted] with facts related to the investigation because they were confidential and instead recommended that he "Google" Mr. Epstein's name for background information. When Mr. [redacted] asked for additional information to assist his firm in addressing conflicts issues, I forwarded those questions to you, and you raised objections for the first time. I did not share any further information about Mr. Epstein or the case. Since Mr. [redacted] had been told that you concurred in his selection, out of professional courtesy, I informed Mr. [redacted] of the Office's decision to use a Special Master to make the selection and told him that the Office had made contact with [redacted]. We have had no further contact since then and I have never had contact with [redacted]. I understand from you that Mr. [redacted] contacted [redacted]. You criticize his decision to do so, yet you feel that you and your co-counsel were entitled to contact [redacted] to try to "lobby" him to select someone to your liking, despite the fact that the Non-Prosecution Agreement vested the Office with the exclusive right to select the attorney representative.

Another reason for my surprise about your allegations regarding misconduct related to the Section 2255 litigation is your earlier desire to have me perform the role of "facilitator" to convince the victims that the lawyer representative was selected by the Office to represent their interests alone and that the out-of-court settlement of their claims was in their best interests. You now state that doing the same things that you had asked me to do earlier is improper meddling in civil litigation.

Much of your letter reiterates the challenges to Detective [redacted] investigation that have

already been submitted to the Office on several occasions and you suggest that I have kept that information from those who reviewed the proposed indictment package. Contrary to your suggestion, those submissions were attached to and incorporated in the proposed indictment package, so your suggestion that I tried to hide something from the reviewers is false. I also take issue with the duplicity of stating that we must accept as true those parts of the [redacted] reports and witness statements that you like and we must accept as false those parts that you do not like. You and your co-counsel also impressed upon me from the beginning the need to undertake an independent investigation. It seems inappropriate now to complain because our independent investigation uncovered facts that are unfavorable to your client.

You complain that I "forced" your client and the State Attorney's Office to proceed on charges that they do not believe in, yet you do not want our Office to inform the State Attorney's Office of facts that support the additional charge nor do you want any of the victims of that charge to contact Ms. Belohlavek or the Court. Ms. Belohlavek's opinion may change if she knows the full scope of your client's actions. You and I spent several weeks trying to identify and put together a plea to federal charges that your client was willing to accept. Yet your letter now accuses me of "manufacturing" charges of obstruction of justice, making obscene phone calls, and violating child privacy laws. When Mr. Lourie told you that those charges would "embarrass the Office," he meant that the Office was unwilling to bend the facts to satisfy Mr. Epstein's desired prison sentence – a statement with which I agree.

I hope that you understand how your accusations that I imposed "ultimatums" and "forced" you and your client to agree to unconscionable contract terms cannot square with the true facts of this case. As explained in letters from Messrs. Acosta and Sloman, the indictment was postponed for more than five months to allow you and Mr. Epstein's other attorneys to make presentations to the Office to convince the Office not to prosecute. Those presentations were unsuccessful. As you mention in your letter, I –a simple line AUSA – handled the primary negotiations for the Office, and conducted those negotiations with you, Ms. Sanchez, Mr. Lewis, and a host of other highly skilled and experienced practitioners. As you put it, your group has a "combined 250 years experience" to my fourteen. The agreement itself was signed by Mr. Epstein, Ms. Sanchez, and Mr. Lefcourt, whose experience speaks for itself. You and I spent hours negotiating the terms, including when to use "a" versus "the" and other minutiae. When you and I could not reach agreement, you repeatedly went over my head, involving Messrs. Lourie, Menchel, Sloman, and Acosta in the negotiations at various times. In any and all plea negotiations the defendant understands that his options are to plead or to continue with the investigation and proceed to trial. Those were the same options that were proposed to Mr. Epstein, and they are not "persecution or intimidation tactics." Mr. Epstein chose to sign the agreement with the advice of a multitude of extremely noteworthy counsel.

You also make much of the fact that the names of the victims were not released to Mr. Epstein prior to signing the Agreement. You never asked for such a term. During an earlier meeting, where Mr. Black was present, he raised the concern that you now voice. Mr. Black and I did not have a chance to discuss the issue, but I had already conceived of a way to resolve that

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Your last set of allegations relates to the investigation of the matter. For instance, you claim that some of the victims were informed of their right to collect damages prior to a thorough investigation of their allegations against Mr. Epstein. This also is false. None of the victims was informed of the right to sue under Section 2255 prior to the investigation of the claims. Three victims were notified shortly after the signing of the Non-Prosecution Agreement of the general terms of that Agreement. You raised objections to any victim notification, and no further notifications were done. Throughout this process you have seen that I have prepared this case as though it would proceed to trial. Notifying the witnesses of the possibility of damages claims prior to concluding the matter by plea or trial would only undermine my case. If my reassurances are insufficient, the fact that not a single victim has threatened to sue Mr. Epstein should assure you of the integrity of the investigation.[1]

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[1]There are numerous other unfounded allegations in your letter about document demands, the money laundering investigation, contacting potential witnesses, speaking with the press, and the like. For the most part, these allegations have been raised and disproven earlier and need not be readdressed. However, with respect to the subpoena served upon the private investigator, contrary to your assertion, and as your co-counsel has already been told, I did consult with the Justice Department prior to issuing the subpoena and I was told that because I was not subpoenaing an attorney's office or an office physically located within an attorney's office, and because the business did private investigation work for individuals (rather than working exclusively for Mr. Black), I could issue a grand jury subpoena in the normal course, which is what I did. I also did not "threaten" the State Attorney's Office with a grand jury subpoena, as the correspondence with their grand jury coordinator makes perfectly clear.

With regard to your allegation of my filing the Palm Beach Police Department's probable cause affidavit "with the court knowing that the public could access it," I do not know to what you are referring. All documents related to the grand jury investigation have been filed under seal, and the Palm Beach Police Department's probable cause affidavit has never been filed with the Court. If, in fact, you are referring to the *Ex Parte* Declaration of [redacted] that was filed in response to the motion to quash the grand jury subpoena, it was filed both under seal and *ex parte*, so no one should have access to it except the Court and myself. Those documents are still in the Court file only because you have violated one of the terms of the Agreement by failing to "withdraw [Epstein's] pending motion to intervene and to quash certain grand jury subpoenas."

With respect to Ms. [redacted], I contacted her attorney – who was paid for by Mr. Epstein and was directed by counsel for Mr. Epstein to demand immunity – and asked only whether he still represented Ms. [redacted] and if he wanted me to send the victim notification letter to him. He asked what the letter would say and I told him that the letter would be forthcoming in about a week and that I could not provide him with the terms. With respect to Ms. [redacted] status as a victim, you again want us to accept as true only facts that are beneficial to your client and to reject as false anything detrimental to him. Ms. [redacted] made a number of statements that are contradicted by documentary evidence and a review of her recorded statement shows her lack of credibility with respect to a number of statements. Based upon all of the evidence collected, Ms. [redacted] is classified as a victim as defined by statute. Of course, that does not mean that Ms. [redacted] considers herself a victim or that she would seek damages from Mr. Epstein. I believe that a number of the identified victims will not seek damages, but that does not negate their legal status as victims.

I hope that you now understand that your accusations against myself and the agents are unfounded. In the future, I recommend that you address your accusations to me so that I can correct any misunderstandings before you make false allegations to others in the Department. I hope that we can move forward with a professional resolution of this matter, whether that be by your client's adherence to the contract that he signed, or by virtue of a trial.

Sincerely,

R. Alexander Acosta
United States Attorney

By: s/[redacted]
Assistant United States Attorney

cc: R. Alexander Acosta, U.S. Attorney
[redacted], First Assistant U.S. Attorney

You also accuse me of "broaden[ing] the scope of the investigation without any foundation for doing so by adding charges of money laundering and violations of a money transmitting business to the investigation." Again, I consulted with the Justice Department's Money Laundering Section about my analysis before expanding that scope. The duty attorney agreed with my analysis.

U.S. Department of Justice

United States Attorney
Southern District of Florida

[redacted]
West Palm Beach, FL 33401
[redacted]
Facsimile: [redacted]

December 13, 2007

DELIVERY BY ELECTRONIC MAIL
Jay P. Lefkowitz, Esq.
Kirkland & Ellis LLP
[redacted]
New York, New York 10022-4675

Re: Jeffrey Epstein

Dear Jay:

I am writing not to respond to your asserted "policy concerns" regarding Mr. Epstein's Non-Prosecution Agreement, which will be addressed by the United States Attorney, but the time has come for me to respond to the ever-increasing attacks on my role in the investigation and negotiations.

It is an understatement to say that I am surprised by your allegations regarding my role because I thought that we had worked very well together in resolving this dispute. I also am surprised because I feel that I bent over backwards to keep in mind the effect that the agreement would have on Mr. Epstein and to make sure that you (and he) understood the repercussions of the agreement. For example, I brought to your attention that one potential plea could result in no gain time for your client; I corrected one of your calculations of the Sentencing Guidelines that would have resulted in Mr. Epstein spending far more time in prison than you projected; I contacted the Bureau of Prisons to see whether Mr. Epstein would be eligible for the prison camp that you desired; and I told you my suspicions about the source of the press "leak" and suggested ways to avoid the press. Importantly, I continued to work with you in a professional manner even after I learned that you had been proceeding in bad faith for several weeks – thinking that I had incorrectly concluded that solicitation of minors to engage in prostitution was a registrable offense and that you would "fool" our Office into letting Mr. Epstein plead to a non-registrable offense. Even now, when it is clear that neither you nor your client ever intended to abide by the terms of the agreement that he signed, I have never alleged misconduct on your part.

The first allegation that you raise is that I "assiduously" hid from you the fact that [redacted] is a friend of my [redacted] and that I have a "longstanding relationship" with Mr. [redacted]

I informed you that I selected Mr. [redacted] because he was a friend and classmate of two people whom I respected, and that I had never met or spoken with Mr. [redacted] prior to contacting him about this case. All of those facts are true. I still have never met Mr. [redacted] and, at the time that he and I spoke about this case, he did not know about my relationship with his friend. You suggest that I should have explicitly informed you that one of the referrals came from my [redacted] rather than simply a [redacted]" which is the term I used, but it is not my nature to discuss my personal relationships with opposing counsel. Your attacks on me and on the victims establish why I wanted to find someone whom I could trust with safeguarding the victims' best interests in the face of intense pressure from an unlimited number of highly skilled and well paid attorneys. Mr. [redacted] was that person.

One of your letters suggests a business relationship between Mr. [redacted] and my [redacted] This is patently untrue and neither my [redacted] nor I would have received any financial benefit from Mr. [redacted] appointment. Furthermore, after Mr. [redacted] learned more about Mr. Epstein's actions (as described below), he expressed a willingness to handle the case *pro bono*, with no financial benefit even to himself. Furthermore, you were given several other options to choose from, including the Podhurst firm, which was later selected by [redacted]. You rejected those other options.

You also allege that I improperly disclosed information about the case to Mr. [redacted] I provided Mr. [redacted] with a bare bones summary of the agreement's terms related to his appointment to help him decide whether the case was something he and his firm would be willing to undertake. I did not provide Mr. [redacted] with facts related to the investigation because they were confidential and instead recommended that he "Google" Mr. Epstein's name for background information. When Mr. [redacted] asked for additional information to assist his firm in addressing conflicts issues, I forwarded those questions to you, and you raised objections for the first time. I did not share any further information about Mr. Epstein or the case. Since Mr. [redacted] had been told that you concurred in his selection, out of professional courtesy, I informed Mr. [redacted] of the Office's decision to use a Special Master to make the selection and told him that the Office had made contact with [redacted]. We have had no further contact since then and I have never had contact with [redacted]. I understand from you that Mr. [redacted] contacted [redacted]. You criticize his decision to do so, yet you feel that you and your co-counsel were entitled to contact [redacted] to try to "lobby" him to select someone to your liking, despite the fact that the Non-Prosecution Agreement vested the Office with the exclusive right to select the attorney representative.

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Sincerely,

R. Alexander Acosta
United States Attorney

By: *s/A.* [redacted]
Assistant United States Attorney

cc: R. Alexander Acosta, U.S. Attorney
[redacted], First Assistant U.S. Attorney

You also accuse me of "broaden[ing] the scope of the investigation without any foundation for doing so by adding charges of money laundering and violations of a money transmitting business to the investigation." Again, I consulted with the Justice Department's Money Laundering Section about my analysis before expanding that scope. The duty attorney agreed with my analysis.

U.S. Department of Justice

United States Attorney
Southern District of Florida

[redacted]
Miami, FL 33132-2111
[redacted]
Facsimile: [redacted]

November 13, 2007

DELIVERY BY FACSIMILE
Jay P. Lefkowitz, Esq.
Kirkland & Ellis LLP
[redacted]
New York, New York 10022-4675

Re: Jeffrey Epstein

Dear Jay:

I write in response to your letter of November 8, 2007.

Most importantly, I want to re-iterate that a guilty plea and sentencing more than two months beyond the original deadline is unacceptable to the Office. Contrary to your assertion, the Non-Prosecution Agreement does *not* contemplate a staggered plea and sentencing (that was contemplated only in a federal plea, where the rules provide for such staggering). Instead, the Agreement contemplates a combined plea and sentencing followed by a later surrender date for Mr. Epstein to begin serving his jail sentence. As you will recall, the plea and sentencing hearing originally was to occur in early October 2007, but was delayed until the end of October to allow Mr. Goldberger to attend. It was delayed again until November to allow you to attend. You have provided no showing of how you and your client have used your best efforts to insure that the plea and sentencing occur in November. A prompt hearing would end speculation by the press and others about Mr. Epstein's intentions and, more importantly, would show the U.S. Attorney's Office and the FBI that Mr. Epstein intends to comply with all of the terms of the Non-Prosecution Areement. Accordingly, I again advise you that the Office requires Mr. Epstein to make his best efforts to enter his guilty plea and to be sentenced forthwith. Please advise me of the new date and time so that someone from our Office can be present.

Your letter asserts that Mr. Epstein and the State Attorney's Office have reached an agreement as to the terms of Mr. Epstein's plea and sentencing, but no such agreements have yet been provided to us. As you know, the Non-Prosecution Agreement requires Mr. Epstein to secure our approval prior to entering into any agreement – not just prior to signing an agreement. Please immediately provide us with the terms of any agreements that have been negotiated with the State Attorney's Office on Mr. Epstein's behalf, whether or not they have yet been reduced to writing, so

that we have adequate time to review them prior to the change of plea and sentencing.

As to the type of sentence that Mr. Epstein hopes to receive, the Agreement clearly indicates that Mr. Epstein is to be incarcerated. In addition to the terms of the Agreement, the Florida Department of Corrections does not allow persons who are registered sex offenders to participate in "community release" (which includes "work release"). Since Mr. Epstein will have to register as a sex offender promptly after his guilty plea and sentencing, he will not be eligible for such a program. Thus, the U.S. Attorney's Office is simply putting you on notice that it intends to make certain that Mr. Epstein is "treated no better and no worse than anyone else" convicted of the same offense. If Mr. Epstein is somehow allowed to participate in a work release program despite the Department of Corrections' rules and practices, the Office intends to investigate the reasons why an exception was granted in Mr. Epstein's case.

Finally, as to the matters related to contacting the victims and the civil litigation, let me address your issues in turn. First, one of the material terms of the Non-Prosecution Agreement was Mr. Epstein's agreement to waive the right to contest the "veracity" of the victims' claims. Second, the questions put to the victims who have already been contacted did not address the "veracity" of their claims. Instead, they were told that the investigators' questions were limited to whether they had been contacted by any law enforcement officers and told that there would be a civil settlement. Third, the Non-Prosecution Agreement did not anticipate such a lengthy delay in the selection of an attorney representative, and the victims would have been "represented parties" without such delay; thus, the use of the phrase "may contact" meant "has permission to contact." That issue will soon be moot, because Judge Davis intends to name the attorney representative shortly. Upon the naming of that person, I will contact counsel and ask him to contact you after conferring with the victims. In the meantime, please treat all of the victims as represented parties who must be contacted only through their counsel.

Your concerns regarding the Section 2255 litigation are unfounded. As you know, Mr. Ocariz had been told that he would be the attorney representative for the victims. As a matter of professional courtesy, he was informed that the Office decided to use a Special Master in the selection of the attorney representative. His decision to contact [redacted] to express his interest in continuing to work on the case was no more "lobbying" than contacts made by your colleagues to [redacted] to persuade him to select your choice of an attorney and to persuade him that the non-prosecution agreement's terms did not contemplate litigation. You state that you are concerned that the Office has continued to insist that a primary criteria for the appointment of counsel is the ability to handle litigation against Mr. Epstein, yet your continued reference to challenging the "veracity" of the victims' claims, your contacting of victims whom you knew were soon to be represented, your attempts to muzzle the Office's and the FBI's abilities to comply with victim notification rules, and your client's consistent attacks upon the victims in the press all confirm the need for appointed counsel to be prepared for such litigation.

Lastly, the statement at the end of your letter that you "reserve [the] right to object to certain aspects of the § 2255 provisions of the Agreement" needs explanation. The provisions regarding Section 2255 appeared in the first statement of terms and every draft of the Non-Prosecution Agreement. By signing the Agreement, your client gave up the right to "object" to its provisions. Mr. Epstein entered into a binding contract, and the breach of any of its terms is a breach of the entire Agreement. Please clarify your position on this point.

Please provide me with the terms of the agreement(s) with the State Attorney's Office and the new date for the change of plea and sentencing by Friday, November 16, 2007.

Sincerely,

R. Alexander Acosta
United States Attorney

By: [redacted]
First Assistant United States Attorney

cc: R. Alexander Acosta, U.S. Attorney
AUSA [redacted]

U.S. Department of Justice

United States Attorney
Southern District of Florida

500 S. Australian Ave, Ste 400
West Palm Beach, FL 33401
[redacted]
Facsimile: [redacted]

December 13, 2007

DELIVERY BY ELECTRONIC MAIL
Jay P. Lefkowitz, Esq.
Kirkland & Ellis LLP
[redacted]
New York, New York 10022-4675

Re: Jeffrey Epstein

Dear Jay:

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It is an understatement to say that I am surprised by your allegations regarding my role because I thought that we had worked very well together in resolving this dispute. I also am surprised because I feel that I bent over backwards to keep in mind the effect that the agreement would have on Mr. Epstein and to make sure that you (and he) understood the repercussions of the agreement. For example, I brought to your attention that one potential plea could result in no gain time for your client; I corrected one of your calculations of the Sentencing Guidelines that would have resulted in Mr. Epstein spending far more time in prison than you projected; I contacted the Bureau of Prisons to see whether Mr. Epstein would be eligible for the prison camp that you desired; and I told you my suspicions about the source of the press "leak" and suggested ways to avoid the press. Importantly, I continued to work with you in a professional manner even after I learned that you had been proceeding in bad faith for several weeks – thinking that I had incorrectly concluded that solicitation of minors to engage in prostitution was a registrable offense and that you would "fool" our Office into letting Mr. Epstein plead to a non-registrable offense. Even now, when it is clear that neither you nor your client ever intended to abide by the terms of the agreement that he signed, I have never alleged misconduct on your part.

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One of your letters suggests a business relationship between Mr. [redacted] and [redacted]. This is patently untrue and neither [redacted] nor I would have received any financial benefit from Mr. [redacted] appointment. Furthermore, after Mr. [redacted] learned more about Mr. Epstein's actions (as described below), he expressed a willingness to handle the case *pro bono*, with no financial benefit even to himself. Furthermore, you were given several other options to choose from, including the Podhurst firm, which was later selected by [redacted]. You rejected those other options.

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Much of your letter reiterates the challenges to Detective [redacted] investigation that have

already been submitted to the Office on several occasions and you suggest that I have kept that information from those who reviewed the proposed indictment package. Contrary to your suggestion, those submissions were attached to and incorporated in the proposed indictment package, so your suggestion that I tried to hide something from the reviewers is false. I also take issue with the duplicity of stating that we must accept as true those parts of the [redacted] reports and witness statements that you like and we must accept as false those parts that you do not like. You and your co-counsel also impressed upon me from the beginning the need to undertake an independent investigation. It seems inappropriate now to complain because our independent investigation uncovered facts that are unfavorable to your client.

You complain that I "forced" your client and the State Attorney's Office to proceed on charges that they do not believe in, yet you do not want our Office to inform the State Attorney's Office of facts that support the additional charge nor do you want any of the victims of that charge to contact Ms. Belohlavek or the Court. Ms. Belohlavek's opinion may change if she knows the full scope of your client's actions. You and I spent several weeks trying to identify and put together a plea to federal charges that your client was willing to accept. Yet your letter now accuses me of "manufacturing" charges of obstruction of justice, making obscene phone calls, and violating child privacy laws. When Mr. Lourie told you that those charges would "embarrass the Office," he meant that the Office was unwilling to bend the facts to satisfy Mr. Epstein's desired prison sentence – a statement with which I agree.

I hope that you understand how your accusations that I imposed "ultimatums" and "forced" you and your client to agree to unconscionable contract terms cannot square with the true facts of this case. As explained in letters from Messrs. Acosta and Sloman, the indictment was postponed for more than five months to allow you and Mr. Epstein's other attorneys to make presentations to the Office to convince the Office not to prosecute. Those presentations were unsuccessful. As you mention in your letter, I –a simple line AUSA – handled the primary negotiations for the Office, and conducted those negotiations with you, Ms. Sanchez, Mr. Lewis, and a host of other highly skilled and experienced practitioners. As you put it, your group has a "combined 250 years experience" to my fourteen. The agreement itself was signed by Mr. Epstein, Ms. Sanchez, and Mr. Lefcourt, whose experience speaks for itself. You and I spent hours negotiating the terms, including when to use "a" versus "the" and other minutiae. When you and I could not reach agreement, you repeatedly went over my head, involving Messrs. Lourie, Menchel, Sloman, and Acosta in the negotiations at various times. In any and all plea negotiations the defendant understands that his options are to plead or to continue with the investigation and proceed to trial. Those were the same options that were proposed to Mr. Epstein, and they are not "persecution or intimidation tactics." Mr. Epstein chose to sign the agreement with the advice of a multitude of extremely noteworthy counsel.

You also make much of the fact that the names of the victims were not released to Mr. Epstein prior to signing the Agreement. You never asked for such a term. During an earlier meeting, where Mr. Black was present, he raised the concern that you now voice. Mr. Black and I did not have a chance to discuss the issue, but I had already conceived of a way to resolve that

issue if it were raised during negotiations. As I stated, it was not, leading me to believe that it was not a matter of concern to the defense. Since the signing of the Non-Prosecution Agreement, the agents and I have vetted the list of victims more than once. In one instance, we decided to remove a name because, although the minor victim was touched inappropriately by Mr. Epstein, we decided that the link to a payment was insufficient to call it "prostitution." I have always remained open to a challenge to the list, so your suggestion that Mr. Epstein was forced to write a blank check is simply unfounded.

Your last set of allegations relates to the investigation of the matter. For instance, you claim that some of the victims were informed of their right to collect damages prior to a thorough investigation of their allegations against Mr. Epstein. This also is false. None of the victims was informed of the right to sue under Section 2255 prior to the investigation of the claims. Three victims were notified shortly after the signing of the Non-Prosecution Agreement of the general terms of that Agreement. You raised objections to any victim notification, and no further notifications were done. Throughout this process you have seen that I have prepared this case as though it would proceed to trial. Notifying the witnesses of the possibility of damages claims prior to concluding the matter by plea or trial would only undermine my case. If my reassurances are insufficient, the fact that not a single victim has threatened to sue Mr. Epstein should assure you of the integrity of the investigation.[1]

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[1]There are numerous other unfounded allegations in your letter about document demands, the money laundering investigation, contacting potential witnesses, speaking with the press, and the like. For the most part, these allegations have been raised and disproven earlier and need not be readdressed. However, with respect to the subpoena served upon the private investigator, contrary to your assertion, and as your co-counsel has already been told, I did consult with the Justice Department prior to issuing the subpoena and I was told that because I was not subpoenaing an attorney's office or an office physically located within an attorney's office, and because the business did private investigation work for individuals (rather than working exclusively for Mr. Black), I could issue a grand jury subpoena in the normal course, which is what I did. I also did not "threaten" the State Attorney's Office with a grand jury subpoena, as the correspondence with their grand jury coordinator makes perfectly clear.

With regard to your allegation of my filing the Palm Beach Police Department's probable cause affidavit "with the court knowing that the public could access it," I do not know to what you are referring. All documents related to the grand jury investigation have been filed under seal, and the Palm Beach Police Department's probable cause affidavit has never been filed with the Court. If, in fact, you are referring to the *Ex Parte* Declaration of [redacted] that was filed in response to the motion to quash the grand jury subpoena, it was filed both under seal and *ex parte*, so no one should have access to it except the Court and myself. Those documents are still in the Court file only because you have violated one of the terms of the Agreement by failing to "withdraw [Epstein's] pending motion to intervene and to quash certain grand jury subpoenas."

With respect to Ms. [redacted] I contacted her attorney – who was paid for by Mr. Epstein and was directed by counsel for Mr. Epstein to demand immunity – and asked only whether he still represented Ms. [redacted] and if he wanted me to send the victim notification letter to him. He asked what the letter would say and I told him that the letter would be forthcoming in about a week and that I could not provide him with the terms. With respect to Ms. [redacted] status as a victim, you again want us to accept as true only facts that are beneficial to your client and to reject as false anything detrimental to him. Ms. [redacted] made a number of statements that are contradicted by documentary evidence and a review of her recorded statement shows her lack of credibility with respect to a number of statements. Based upon all of the evidence collected, Ms. [redacted] is classified as a victim as defined by statute. Of course, that does not mean that Ms. [redacted] considers herself a victim or that she would seek damages from Mr. Epstein. I believe that a number of the identified victims will not seek damages, but that does not negate their legal status as victims.

I hope that you now understand that your accusations against myself and the agents are unfounded. In the future, I recommend that you address your accusations to me so that I can correct any misunderstandings before you make false allegations to others in the Department. I hope that we can move forward with a professional resolution of this matter, whether that be by your client's adherence to the contract that he signed, or by virtue of a trial.

Sincerely,

R. Alexander Acosta
United States Attorney

By: s[redacted]
[redacted]
Assistant United States Attorney

cc: R. Alexander Acosta, U.S. Attorney
[redacted] First Assistant U.S. Attorney

You also accuse me of "broaden[ing] the scope of the investigation without any foundation for doing so by adding charges of money laundering and violations of a money transmitting business to the investigation." Again, I consulted with the Justice Department's Money Laundering Section about my analysis before expanding that scope. The duty attorney agreed with my analysis.

FW: Emailing: epstein 12.11.07.pdf

[redacted]. (USAFLS) [redacted]@usdoj.gov]

Sent: Tuesday, December 11, 2007 12:57 PM

To: [redacted] (USA); [redacted] (USA)

Attachments: epstein 12.11.07.pdf (1 MB)

<<epstein 12.11.07.pdf>> H[redacted] -- Can you add these to the book of letters?

[redacted] -- The attacks are growing more and more vicious.

Ken Starr, Jay Lefkowitz, and probably Lilly Ann Sanchez are meeting with [redacted] on Friday at 1:00.

[redacted]
Assistant U.S. Attorney
[redacted]
Fax [redacted]

-----Original Message-----
From: [redacted] (USAFLS)
Sent: Tuesday, December 11, 2007 12:00 PM
To: [redacted] (USAFLS)
Subject: Emailing: epstein 12.11.07.pdf

The message is ready to be sent with the following file or link attachments:

epstein 12.11.07.pdf

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

- [redacted] ***Did Not*** **State that Epstein Photographed Her Having Sex**

  Detective [redacted] also reports [redacted] claiming that "Epstein would photograph [redacted] and her naked and having sex and proudly display the photographs within the home." *Id.* at 12. Again, this statement is not in [redacted] sworn statement. To the contrary, the transcript reflects that [redacted] stated: "I was just like, it was me standing in front of a big white marble bathtub . . . in the guest bathroom in his master suite. And it wasn't like I was you know spreading my legs or anything for the camera, I was like, I was standing up. I think I was standing up and I just like, it was me kind of looking over my shoulder kinda smiling, and that was that." Sworn Statement of 10/11/05 at 35.[2]

- [redacted] **Said Epstein *Did Not* Touch Her Inappropriately**

  Detective [redacted] recounts that [redacted] advised that "Epstein grabbed her buttocks and pulled her close to him." Probable Cause Affidavit at 6. *See also*, Police Report (10/07/05) at 30 (same). [redacted] never made this statement. In fact, when Detective [redacted] asked, "He did not touch you inappropriately?" [redacted] responded, "No." Sworn Statement of 10/04/05 at 11.

- [redacted] ***Was Not*** **Sixteen When She First When to Epstein's Home.**

  Detective [redacted] states: "[redacted] also stated she was sixteen years old when she first went to Epstein's house". Incident Report at 52. However, [redacted] affirmatively states that she was seventeen when she first went to Epstein's home: "Q: Okay. How old were you when you first went there? A: Seventeen. Q: Seventeen. A: And I was 17 the last time I went there too. I turned 18 this past June". Sworn Statement of 11/14/05.

- [redacted] **Told Detective [redacted] that Epstein *Did Not* Take out Sex Toys.**

  The Probable Cause Affidavit indicates that [redacted] [redacted] stated, "Epstein would use a massager/vibrator, which she described as white in color and a large head. Epstein would rub the vibrator/massager on her vaginal area as he would masturbate." Probable Cause Affidavit at 14; *see also* Police Report (11/10/05) at 49 ("Epstein would use a massager/vibrator, which she described as white in color with a large head, on her."). This statement appears nowhere in the transcript of [redacted] sworn

[3] Hall was interviewed by Detective [redacted] twice, once by telephone, and once in person. The portions of the Police Report to which we refer specifically cite the in-person interview of [redacted] as the source for the information reported. We have reviewed the recording of that interview and base the comparison on that review. We have never heard a recording of the telephone interview.

statement. In fact, when Detective [redacted] asked whether Mr. Epstein had "ever take[n] out any toys," [redacted] responded, "No." Sworn Statement of 11/08/05 at 17.

- [redacted] **Did *Not* Recall Mr. Epstein Masturbating**

Detective [redacted] recounts that [redacted] "advised she was sure [Mr. Epstein] was masturbating based on his hand movements going up and down on his penis area." Probable Cause Affidavit at 8. *See also* Police Report (10/07/05) at 35 (same). Detective [redacted] account is in direct contradiction to [redacted] true statement, specifically:

Q: Okay did he ever take off – did he ever touch himself?

A: I don't think so.

Q: No. Did he ever masturbate himself in front of you?

A: I don't remember him doing that. He might have but I really don't remember. (Sworn Statement of 10/05/05 at 7).

- [redacted] **Stated that *Only One* Girl Looked Young**

Police Report at 57: "[redacted] stated that towards the end of his employment, the masseuses were younger and younger". However, he said no such thing:

Q: Did they seem young to you?

A. No, sir. Mostly no. We saw one or two young ones in the last year. Before that, it was all adults . . . I remember one girl was young. We never asked how old she was. It was not in my job . . . But I imagine she was 16, 17". (Sworn Statement of 11/21/05)

C. Detective [redacted] Made Material Omissions in the Police Report.

In addition to the misstatements in the Police Report and Probable Cause Affidavit as to the evidentiary record, there were also material omissions, both of facts known to the PBPD and also of facts not known to the PBPD, though known by the State Attorney. In the latter instance, the lack of knowledge was the result of the PBPD's refusal to receive the exculpatory evidence. In fact, they refused to attend a meeting called by the State Attorney specifically to provide the relevant evidence. Thus, the Police Report and Probable Cause Affidavit only offer a skewed view of the facts material to this matter. Examples follow.

1. ***The Video Surveillance Equipment Located in Mr. Epstein's Office and Garage.*** Both the Police Report (at 43) and the Probable Cause Affidavit (at 18) make

particular mention of the "discovery" of video surveillance equipment (or "covert cameras" as they are called) in Epstein's garage and library/office. Inclusion of this information insinuates a link between the equipment and the events at issue: in the Probable Cause Affidavit Detective [redacted] states, "on the first floor of the [Epstein] residence I [Detective [redacted]] found two covert cameras hidden within clocks. One was located in the garage and the other located in the library area on a shelf behind Epstein's desk . . . The computer's hard drive was reviewed which showed several images of [redacted] and other witnesses that have been interviewed. All of these images appeared to come from the camera positioned behind Epstein's desk". *See* Probable Cause Affidavit at 18.

Clearly omitted from both the Police Report and the Probable Cause Affidavit is the fact that the PBPD, and specifically Detective [redacted] knew about the cameras since they were installed in 2003, *with the help of the PBPD*, to address the theft of cash from Epstein's home. This fact is detailed in a Palm Beach Police Report prepared in October 2003 detailing the thefts, the installation of video equipment, the video recording capturing [redacted] (Mr. Epstein's then [redacted]) "red handed", and the incriminating statements made by [redacted] when he was confronted at the time. *See* [redacted] Police Report at 5, 8. The contemporaneous police report confirms the fact that the video footage was turned over to Detective [redacted] himself.

2. ***Polygraph Examination and Report.*** On May 2, 2006, Mr. Epstein submitted to a polygraph examination by [redacted], a highly respected polygraph examiner who is regularly used by the State Attorney. The examination was done at a time when we were told that the sole focus of the investigation was the conduct with [redacted].

Mr. Epstein was asked (a) whether he had "sexual contact with [redacted] (b) whether he "in anyway threaten[ed] [redacted] (c) whether he was told by [redacted] "that she was 18 years old"; and (d) whether he "believed [redacted] was 18 years old". As set forth in the Report of the examination, the term "sexual contact" was given an extremely broad meaning in order to capture any inappropriate conduct that could have occurred.[3] The results of the examination confirmed that (i) no such conduct occurred; (ii) Mr. Epstein never threatened [redacted]; (iii) [redacted] told Mr. Epstein she was 18 years old; and (iv) Mr. Epstein believed Gonzalez was 18 years old.

[3] The definition included: "sexual intercourse, oral sex acts (penis in mouth or mouth on vagina), finger penetration of the vagina, finger penetration of the anus, touching of the vagina for sexual gratification purposes, touching of the penis for sexual gratification purposes, masturbation by or to another, touching or rubbing of the breasts, or any other physical contact involving sexual thoughts and/or desires with another person".

3. ***Broken "Sex Toys" in Mr. Epstein's Trash.*** The Police Report details the police finding in Mr. Epstein's trash what is described as broken pieces of a "sex toy" and that this "discovery" purportedly corroborated witness statements. Omitted from both the Police Report and the Probable Cause Affidavit is the fact that during the course of executing the search warrant in Epstein's home, the police discovered the other piece of that key "sex toy" and realized it was in fact only the broken handle of a salad server. Though "sex toys" play a prominent role in the Police Report and Probable Cause Affidavit, the Police Report was never amended to reflect the discovery of this new and highly relevant evidence.

4. ***Failure to Consider Exculpatory or Impeaching Evidence.*** Other exculpatory and impeaching evidence known by the PBPD was omitted from the Police Report and Probable Cause Affidavit by, in our view, manipulating the date the investigation was allegedly closed. According to the Police Report (at 85), Detective [redacted] "explained [to ASA Belohlavek] that the PBPD had concluded its case in December of 2005". That assertion, which is false, conveniently resulted in the omission of all information adduced subsequent to that date. Thus, though the Police Report in fact contains information obtained after December 2005, the PBPD purported to justify its refusal to consider, or even to include, in the Police Report, the Probable Cause Affidavit or what it released to the public, all the exculpatory and evidence impeaching the witnesses submitted on behalf of Mr. Epstein, most of which was provided after December 2005. That evidence is listed below.

5. ***Unreported Criminal Histories and Mental Health Problems of the Witnesses Relied on in the Police Report and Probable Cause Affidavit.*** Evidence obtained concerning the witnesses relied upon to support the Probable Cause Affidavit casts significant doubt on whether these witnesses are sufficiently credible to support a finding of probable cause, let alone to sustain what would be the prosecution's burden of proof at a trial.[4] Though such evidence was submitted to the PBPD, none of it was included in the Police Report or the Probable Cause Affidavit.

   - [redacted]: While the Police Report (at 57) and the Probable Cause Affidavit (at 21) contain assertions by [redacted] which allegedly support bringing a criminal charge, the evidence revealing [redacted]'s evident mental instability; prior criminal conduct against Epstein; and bias towards Epstein is notably omitted. As detailed above, in 2003, [redacted] was filmed taking money from Epstein's home. After being caught on videotape unlawfully entering Epstein's home and stealing cash from a briefcase,

[4] While we have never intended to and do not here seek to gratuitously cast aspersions on any of the witnesses, in previously asking the State and now asking you to evaluate the strength of this case, we have been constrained to point out the fact that the alleged victims chose to present themselves to the world through MySpace profiles with self-selected monikers such as "Pimp Juice" and "[redacted] Fucking [redacted]" or with nude photos.

[redacted] admitted to the PBPD that he entered the house unlawfully on numerous occasions, stealing cash and attempting to steal Epstein's licensed handgun to commit suicide. Although this information was known by Detective [redacted] at the time the Police Report and Probable Cause Affidavit were prepared, and is clearly material to any determination of credibility, it was omitted.

- [redacted] was the source of the vast majority of the serious allegations made against Epstein. While the Police Report and Probable Cause Affidavit rely on [redacted] numerous assertions, there are two significant problems with that reliance. First there is no mention of certain critical admissions made by [redacted] during her interview, as well as on her MySpace webpage (discovered by defense investigators and turned over to the State Attorney). Second, all but omitted from the Police Report is any reference to the facts known about her by the PBPD, specifically, that at the time [redacted] was making these assertions [redacted]. We take each in turn.

  - [redacted] ***Admits Voluntary Sexual Conduct With Epstein, Refuses to Disclose the Disposition of the Monies She Earned, and Lies About Being "Given" a Car by Epstein***: Detective [redacted] failed to include in the Police Report [redacted] admission that on one occasion she engaged in sexual conduct with Epstein's girlfriend as her birthday "gift" to Epstein. Nor does Detective [redacted] include the fact that Hall flatly refused to discuss with him the disposition of the thousands of dollars she said she was given by [redacted], or that she falsely claimed that she did not use drugs, despite her MySpace entries in which she exclaims "I can't wait to buy some weed!!!!!!!". Detective [redacted] was aware the car had been rented, not purchased, and only if was only leased on a monthly basis for two months. While [redacted] fanciful claim that she was given a car appears in the Police Report, it is never corrected.

  - [redacted] As noted, on September 11, 2005, [redacted] was [redacted] for [redacted]. In response to this [redacted] came forward" (as the Probable Cause Affidavit implies at 10-11), claiming she had knowledge of "sexual activity taking place" at Epstein's residence and misconduct by Epstein. (This "coming forward" appears no where in the Police Report.) Thus, it becomes clear that [redacted] assertions of misconduct by Epstein were motivated by a desire to avoid the repercussions of her [redacted], which should have been taken into account when assessing her credibility as a witness.

- [redacted]. An investigation by private investigators working for the defense revealed that in late 2005 [redacted] was employed at a [redacted] store in Florida. Three days after her [redacted] was terminated, [redacted] was caught by a store manager as [redacted] attempted to leave the store with merchandise in her purse, the security tag still attached. Seeing the manager, [redacted] claimed "someone is trying to set me up". Following an internal investigation, which disclosed additional thefts from both the store and a customer, she was fired. In a recorded interview, [redacted] admitted to stealing and asserted that her reason for doing so was that "she was not getting paid enough". This information and supporting documentation was presented to the PBPD, but was never included in the Police Report or Probable Cause Affidavit.

- [redacted] ***Lies on MySpace About*** [redacted] ***Termination.*** Also uncovered by defense investigators is [redacted] dissembling version of the [redacted] debacle on her "MySpace" webpage. There, [redacted] announced that she ". . . forgot to let everyone know I quit my job at [redacted] They said they suspected me of 'causing losses to their company' which by the way is bullshit. I was 'by the book' on EVERYTHING!!! . . . I got so fed up in that office that I handed the Loss Prevention lady back my keys and walked out". This information and supporting documentation was provided by the defense to the PBPD, but was not included in the Police Report or Probable Cause Affidavit.

- [redacted] ***Lies on her*** [redacted] ***Job Application.*** Additional information on [redacted] MySpace webpage casts further doubt on her credibility. For example, she boasts to having engaged in a fraudulent scheme to get hired by [redacted], explaining, "Oh, it was so funny . . . I used [my boyfriend] as one of my references for my [redacted] job and the lady called me back and told me that [redacted] gave me such an outstanding reference that she did not need to call anyone else back, . . . he got me the job! Just like that . . . I lied and said he was the old stock manager at [redacted] she bought it. . ." This information and supporting documentation was provided by the defense to the PBPD, but was not included in the Police Report or Probable Cause Affidavit.

- [redacted] ***Boasts About Her Marijuana Use.*** Also on her MySpace webpage can be found [redacted] admissions of purchasing and using marijuana and marijuana paraphernalia. Specifically, [redacted] states she "can't wait to buy some weed!!! . . . I can't wait!!! . . . (Hold on:

let me say that again) I can't wait to buy some weed!!!. . . I also want to get a vaporizer so I can smoke in my room because apparently there are 'nares' everywhere". [redacted] also posted a photograph of a marijuana cigarette and labeled it "what heaven looks like to me". This information and supporting documentation was provided by the defense to the PBPD, was not included in the Police Report or Probable Cause Affidavit (although there is both a fleeting reference in the Police Report to Hall's use of marijuana with her boyfriend (at 67) and in the Probable Cause Affidavit to [redacted] (at 10-11)).

[redacted]: While the Police Report and Probable Cause Affidavit contain numerous assertions intended to negate [redacted] taped admission that she clearly told Epstein she was 18, omitted from these documents is reference to [redacted] MySpace webpage, presented to the State Attorney's Office, where , in no connection to this case, *she affirmatively represented to the world that she was 18*, thereby corroborating her lie to Epstein. Also omitted is any reference to her long history of run-ins with law enforcement, [redacted].

- [redacted] ***MySpace Webpage States She Drinks, Uses Drugs, Gets into Trouble, Has Beaten Someone Up, Shoplifts, Has Lost her Virginity, Earns $250,000 and Higher, and Contains Naked and Provocative Photographs.*** The first image seen on [redacted] MySpace webpage, the photo [redacted] chose to represent her, is that of a naked woman provocatively lying on the beach. The illuminating webpage also contains [redacted] assertions that of all her body parts, she "love[s] her ass", she drinks to excess, uses drugs, "gets into trouble", has beaten someone up, has shoplifted "lots", "already lost" her virginity, and earns "$250,000 and higher". As with the other impeaching information, this material, vital to determining credibility, was provided by the defense to the PBPD but was never included in the Police Report or Probable Cause Affidavit.

- [redacted] ***Prior Record – Drugs, Alcohol, Running Away From Home.*** [redacted] has a history of running away/turning up missing from her parents' various homes; of using drugs and alcohol; and of associating with individuals of questionable judgment. For example, a Palm Beach County Sheriff's Office Report details how only two days after she returned to Florida to live with her father, on March 31, 2006, police were called to the home in response to her father's report that she and her twin sister were missing. The Police Report describes her as "under the influence of a narcotic as [she] could barely stand up,

[her] eyes were bloodshot, and [her] pupils were diluted [sic]". It further documents that [redacted] and her sister had stayed out all night and were returned home by a "drug dealer". This event coincided with [redacted] having been found at an "inappropriate location" by Georgia police in response to a call about [redacted] disappearance. Although this information, material to determining credibility, was provided by the defense and known to the PBPD, it was never included in the Police Report or Probable Cause Affidavit.

- [redacted]: While the Police Report and [redacted] which defense investigators discovered and turned over to the PBPD during the course of the investigation, was omitted. [redacted].
- [redacted]: While the Police Report and Probable Cause Affidavit rely on statements of [redacted] omitted is [redacted] state conviction for identity fraud. This information, uncovered by defense investigators, was also turned over to the PBPD during the course of the investigation.

D. In Light Of The Compromised Nature Of The Evidence, A Fulsome Review Should Be Conducted.

These tainted and inaccurate reports compromised the federal investigation.[5] As you may know, the PBPD took the unprecedented and highly unethical step of releasing these reports to the media as well. These reports spread across the Internet, and were undoubtedly read by the other individuals who were later interviewed by the FBI for giving Mr. Epstein massages. As we have shown, these reports contain multiple fabrications, omissions, and outright misstatements of fact. Moreover, the evidence and the allegations were undeniably misrepresented to the FBI, with no inclusion of the evidence exposing the deficiencies of the "proof" and the exculpatory evidence upon which the State relied. Furthermore, it should be noted that many of these same individuals were also interviewed by the FBI after their state interviews but prior to Mr. Epstein's counsel providing the government with the transcripts of the recorded interviews. The

[5] Although we have been informed that the FBI identified and then interviewed additional potential witnesses, many of their discoveries are believed to have emanated from message pads containing contact information that were seized from Mr Epstein's home pursuant to a state search warrant that was deeply and constitutionally flawed by [redacted] misstatements and omissions as well as other facial deficiencies.

transcripts and tapes, which we hope to share with you in person, will likely present a very different view of those interviews taken afterwards.

Therefore, in the interest of truth, we ask you to review the transcripts, compare them to the FBI reports upon which the indictment was predicated, and then determine whether the FBI summaries and the prosecution memorandum upon which the charging decisions were made overstate Mr. Epstein's federal culpability. Concomitant to these requests, we would ask that you determine whether the investigative team ever provided these trustworthy tapes and transcripts to those in your Office who were being asked to authorize the prosecution so that they could themselves assess the reliability of the FBI interview reports against a verbatim record of the same witness's prior statements. We believe that this request is fair and would not be unduly burdensome.

II. THE IMPROPER INVOLVEMENT AND CONDUCT OF FEDERAL AUTHORITIES.

As established above, the State's charging decision, of one count of the solicitation of prostitution, was hardly irrational or irregular. Indeed, Lana Belohlavek, a Florida sex prosecutor for 13 years, concluded that the women in question were prostitutes and that "there are no victims here." There was no evidence of violence, force, drugs, alcohol, coercion or an abuse of a position of authority. Each and every one of the alleged "victims" knew what to expect when they arrived at Mr. Epstein's house and each was paid for her services. In fact, Mr. Epstein's message book establishes that many of these women routinely scheduled massage sessions with Mr. Epstein themselves, without any prompting. Ms. Belohlavek also noted that many of these individuals worked either as exotic dancers or in one of the many massage parlors dotted across West Palm Beach. Ms. Belohlavek also specifically stated that [redacted] could not be trusted and was "only interested in money." She further found that it was inappropriate for Mr. Epstein to register as a sex offender because she did not believe that he constituted a threat to young girls and because registration had not been required in similar or even more serious cases. Ms. Belohlavak thought, and still believes, that the appropriate punishment is a term of probation.

Yet, the government has devoted an extraordinary amount of its time and resources to prosecute Mr. Epstein for conduct the State believes amounts to a "sex for money" case. While we are loathe to single-out for criticism the conduct of any particular professional, we cannot escape the conclusion that the cumulative effect of the conduct of Assistant United States Attorney [redacted] led your Office to take positions during the investigation and negotiation of this matter that has led to unprecedented federal overreaching. In fact, [redacted] states " . . .the federal authorities inappropriately involved themselves in the investigation by the state authorities and employed highly irregular and coercive tactics to override the judgment of state law enforcement authorities as to the appropriate disposition of their case against your client." *See* [redacted] letter faxed to you on December 7, 2007.

A. The Petite Policy Should Have Precluded Federal Involvement.

As you know, prior to negotiating the terms of the Agreement, we requested that the government consider the *Petite* Policy and the problems associated with conducting a dual and successive prosecution. We stressed to your Office, on a number of occasions, that we had reached a final negotiated resolution with the State and were only being forced to postpone the execution of that agreement for the sake of the federal investigation. We made submissions and met with your Office to present analyses of the fact that federal prosecution in this matter was in direct conflict with the requirements of the *Petite* Policy. It was our contention, and remains our contention, that federal prosecutors had never intervened in a matter such as this one. And because there was no deficiency in the state criminal process that would otherwise require federal intervention, the express terms of the *Petite* Policy precluded federal prosecution *regardless of the outcome of the state case*. Since the state investigation was thorough and in no way inadequate and the concerns implicated by the matter all involved local issues and areas of traditionally local concern, we urged your Office to contemplate whether a federal prosecution was appropriate.

However, on August 3, 2007, Matthew Menchel rejected a proposed state plea which included that Mr. Epstein serve two years of supervised custody followed by two years of incarceration in a state prison, with the option of eliminating incarceration upon successful completion of the term of supervised custody, among other terms. Mr. Menchel stated that "the federal interest will not be vindicated in the absence of a two year term in state prison." *See* August 3, 2007 letter. Such an articulation of the federal interest, we believe, misunderstands the *Petite* Policy on two grounds. First, the Office's position that the federal interest would not be vindicated in the absence of a jail term for Mr. Epstein, runs contrary to Section 9-2.031D of the United States Attorney's Manual, because this section requires the federal prosecutor to focus exclusively on the *quality or process* of the prior prosecution, not the sentencing outcome. Second, the state plea agreement offered was not "manifestly inadequate" under U.S.A.M. § 9-2.031D. Indeed, the only real difference between the state and federal plea proposals was whether Mr. Epstein served his sentence in jail or community quarantine.

We formerly believed that our *Petite* Policy concerns were being addressed or, at least, preserved, but we learned that only after reaching a final compromise with your Office as to the terms of the Agreement, and at the very last minute, that language regarding the *Petite* Policy was removed from the final version. The two following references to the *Petite* Policy had been included in the draft prosecution Agreements up until September 24, 2007, the day the Agreement was executed, at which point they were eliminated by your Office:

> IT APPEARING, after an investigation of the offenses and Epstein's background, that the interest of the United States pursuant to the Petite policy will be served by the following procedure . . .
>
> Epstein understands that the United States Attorney has no authority to require the State Attorney's Office to abide by any terms of this agreement. Epstein understands that it is his

obligation to undertake discussion with the State Attorney's Office to ensure compliance with these procedures, which compliance will be necessary to satisfy the United States' interest, pursuant to the *Petite* policy.

We reiterate that this case was at heart a local matter that was being fully addressed by the state criminal justice system. The state process resulted in an appropriate resolution of this matter and would have vindicated any conceivable federal interest. Thus, there was no substantial federal interest that justified a federal prosecution. It has recently come to our attention that that the CEOS chief statements may be relevant to this matter. While we welcome the opportunity to consider these statements, our extensive research had found only one federal action that was remotely similar to the federal investigation for the prosecution of this matter, and that case has since been distinguished as well.

B. Ms. [redacted] Prompted An Unduly Invasive Investigation Of Mr. Epstein.

Ms. [redacted]'s investigation of Mr. Epstein raises serious questions. Despite the fact that she was made aware of the inaccuracies in the PBPD's Probable Cause Affidavit, she chose to include the affidavit in a document filed with the court knowing that the public could access it. Then, Ms. [redacted] issued letters requesting documents whose subject matter have no relation to the allegations against Mr. Epstein. Notably, after we objected to these overly broad and intrusive requests, Deputy Chief Andrew Lourie denied knowledge of Ms. [redacted]'s actions and Mr. Lourie commendably sought to significantly narrow the list of documents requested. In a subsequent court filing, Ms. [redacted] referred to our agreement to remove these items from her demand list as evidence of Mr. Epstein's "non-cooperation".

This was only the beginning. Ms. [redacted] also subpoenaed an agent of Roy Black (without following the guidelines provided in the United States Attorney's Manual that require prior notification to Washington necessary to seek a lawyer's records). We once more requested Mr. Lourie to intervene. Despite these efforts, Ms. [redacted] followed up with a subpoena for Mr. Epstein's confidential medical records served directly on his chiropractor (with no notice to Mr. Epstein). Ms. [redacted] also made the unusual request of asking the State Attorney's Office for some of the grand jury materials. She threatened to subpoena the State when she was informed that it was a violation of Florida law to release this information.

After compiling this "evidence", Ms. [redacted] stated she would be initiating an investigation into purported violations of 18 U.S.C. §1591 (again without the required prior DOJ notification). Ms. [redacted] then broadened the scope of the investigation without any foundation for doing so by adding charges of money laundering and violations of a money transmitting business to the investigation. Mr. Epstein's counsel explained that there could be no basis for these charges since Mr. Epstein did not commit any prerequisite act for a money laundering charge and has never even been engaged in a money transmitting business. Ms. [redacted] responded that Mr. Epstein could be charged under these statutes because he funded

illegal activities. To suggest that Mr. Epstein could violate these statutes simply by spending his legally earned money on prostitutes is manifestly an erroneous interpretation of the law.

To our relief, after briefing Matthew Menchel at a meeting regarding the spurious application of these statutes, we were told to ignore the laundry list and that defense counsels' focus should be turned to 18 U.S.C. §2422(b). Once Mr. Epstein's counsel submitted and presented the reasons why a federal case would require stretching the relevant federal statutes beyond recognition, and that federal involvement in this matter should be precluded based on federalism concerns, the *Petite* Policy, and general principles of prosecutorial discretion, the parties commenced discussions of a possible plea agreement. Around this time, we received an e-mail from Ms. [redacted] suggesting that she wanted to discuss the possibility of a concurrent federal and state resolution. We were immediately informed by your Office that Ms. [redacted] did not have the authority to make any such plea proposals and would not be involved in any further negotiations of a plea. Despite this commitment, Ms. [redacted] was the principle negotiator of the Agreement. At our meeting on September 7, she made reference to an allegation against Mr. Epstein involving a 12 year old individual. This allegation is without merit and without foundation. Though your last letter suggests there was "no contact" between individuals in your Office and the press, we were previously told by Mr. Lourie that the FBI was receiving "information" specifically from [redacted], a [redacted], and not vice versa.

C. **Ms. [redacted] Included Unfair Terms in the Agreement.**

Ms. [redacted] took positions in negotiating this matter that stray from both stated policy and established law. First, Ms. [redacted] insisted that as part of the federal plea agreement, the State Attorney's Office, without being shown new evidence, should be convinced to charge Mr. Epstein with violations of law and recommend a sentence that are significantly harsher than what the State deemed appropriate. In fact, the State Attorney viewed this matter as a straightforward prostitution case and believed that a term of probation was - and is - the appropriate sentence. At Ms. [redacted]'s insistence, however, Mr. Epstein was forced to undertake the highly unusual and unprecedented action of directing his defense team to contract the State prosecutors themselves and ask for an upward departure in both his indictment and sentence. There was no effort by the state and federal prosecutors to coordinate the prosecutions, a practice which is against the tenets of the *Petite* Policy. In our view, it is unprecedented to micro-manage each and every term of Mr. Epstein's State plea, including the exact state charges to which Mr. Epstein plead guilty; the time-frame within which Mr. Epstein must enter that state plea and surrender to state officials; and the amount of time he must spend in county jail. This is particularly true where the State

Attorney's Office has a different view of the case and there has been no coordination with state authorities.[6]

In addition, Ms. [redacted] required that Mr. Epstein's sentence include a registerable offense. As you know, requiring sexual offender registration will have a significant impact both immediately and forever after. This harsh term, which is said to be suggested by the FBI, was added despite the fact that the State believed that Mr. Epstein's conduct did not warrant any such registration. As you know, state officials have special expertise in deciding which offenders pose a threat to their community. Moreover, this demand places the state prosecutors' credibility at issue and diminishes the force of sexual registration when it is applied to offenders who state prosecutors do not believe are dangerous or require registration. Ms. [redacted]'s decision not to permit the State Attorney to determine a matter uniquely within its province was unwarranted.

What is more, when negotiating the settlement portion of the Agreement, Ms. [redacted] insisted that a civil settlement provision be included in the Agreement, namely, the inclusion of 18 U.S.C. § 2255, a negotiating term which is unprecedented in nature.[7] While we were reluctant and cautious about a plea agreement in which a *criminal* defendant gives up certain rights to contest liability for a *civil* settlement, Ms. [redacted]'s ultimatums required that we acquiesce to these unprecedented terms. For instance, when plea discussion stalled as a result of Ms. [redacted]'s demands, Mr. Epstein's counsel received a letter from her stating as it "now appears you will not settle." At this point, Ms. [redacted] expressed her intention to re-launch the government's previously set aside money laundering investigation. She also issued a rash of subpoenas and sent target letters to Mr. Epstein's employees, adding new federal charges including obstruction of justice. She then personally called Mr. Epstein's largest and most valued business client without any basis to inform him of the investigation.

In an attempt to prevent further persecution and intimidation tactics, we proposed that Mr. Epstein establish a restitution fund specifically for the settlement of the identified individuals' civil claims and that an impartial, independent representative be appointed to administer that fund. There was no dollar amount limit discussed for the fund, but the idea was still rejected. We then pointed out that the state charges to which Mr. Epstein was to plead guilty carried with it a state restitution provision that would allow "victims" to recover damages. Ms. [redacted], however, rejected this idea and suggested requiring a guardian ad litem, implying that

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[6] When asked whether Department of Justice polices regarding coordination with state authorities had been followed, Ms. [redacted] gave no response other than stating, "it is none of your concern."

[7] In fact, [redacted], a former deputy to [redacted], has stated that she knew of no other case like this being prosecuted by CEOS. With that in mind, we welcome the opportunity to review the extensive research that CEOS has done, as indicated by your Office.

the alleged "victims" in question were currently minors and needed special representation. We later learned that the government's list of individuals included a woman as old as twenty-four, which flies in the face of prior representations (it should be noted that any person who is currently twenty four years old or older could not have been a "victim" under 18 U.S.C. § 2255, even if the conduct occurred in 2001). At Ms. [redacted]'s insistence, the parties ultimately agreed to the appointment of an attorney representative, but Ms. [redacted] then took the position that Mr. Epstein should pay for the representative's fees, which effectively meant that Mr. Epstein must pay to sue himself.[8]

Ms. [redacted] also proposed wholly irrelevant charges such as making obscene phone calls and violations of child privacy laws. When Mr. Lourie learned of these proposed charges he asked Mr. Epstein's defense team to ignore them as they would "embarrass the Office."

D. Ms. [redacted] Continually And Purposefully Misinterpreted The Critical Terms of the Agreement.

Since the execution of the Agreement, Ms. [redacted] has repeatedly misconstrued the terms contained therein. As you know, several facets of this matter have been highly contested by the parties. We sometimes have obtained two competing views as to your willingness to compromise on specific issues that we have raised with your Office. In particular, there are times when we have received verbal agreement from you or your staff (and sometimes from Ms. [redacted] herself) on a particular issue, only to subsequently receive a contradictory interpretation from Ms. Villafana that negates our prior common understanding. Her misinterpretations appear to be attempts to effectively change the spirit and the meaning of the Non-Prosecution Agreement. We offer several examples of significant misinterpretations.

First, despite the fact that we received several commitments from your Office that it would monitor Mr. Epstein's state sentencing but not interfere with it in any way, Ms. [redacted] sought to do just that. Ms. [redacted]'s decision to utilize a civil remedy statute in the place of a restitution fund for the alleged victims eliminates the notification requirement under the Justice for All Act of 2004, a federal law that requires federal authorities to notify victims as to any available restitution, not of any potential civil remedies, to which they are entitled. Despite this fact, Ms. [redacted] proposed a Victims Notification letter to be sent to the alleged federal victims. Ms. [redacted] has gone even further, alleging that the "victims" may make written statements or testify against Mr. Epstein at the sentencing. We find no basis in law or the Agreement that provides the identified individuals with either a right to appear at Mr. Epstein's plea and sentence or to submit a written statement to be filed by the State Attorney. Here, Mr.

[8] This arrangement does not put these alleged "victims" in the same position as they would have been had Mr. Epstein been convicted at trial — in fact, they are much better off.

Epstein is pleading guilty to, and being sentenced for, state offenses, not the federal offenses under which the government has unilaterally recognized these identified individuals as "victims". The notion that individuals whose names are not even known to the charging prosecutor in a state action should somehow be allowed to speak at a proceeding is unjustifiable.

Furthermore, only after obtaining the executed Agreement did Ms. [redacted] begin insisting that the selected representative's duties go beyond settlement and include litigating claims for individuals. In Ms. [redacted]'s Victims Notification letter, she states that Mr. Podhurst and Mr. Josefsberg, the selected attorney representatives, may "represent" the identified individuals. This language assumes that the selected representatives will agree to serve in the capacity envisioned by Ms. [redacted], which is patently incorrect. Yet, neglecting the spirit of the negotiations; neglecting the terms of the Agreement; and neglecting commonly-held principles of ethics with respect to conflicts, Ms. [redacted] continues to improperly emphasize that the chosen attorney representative should be able to litigate the claims of individuals.

In a similar fashion, Ms. [redacted] has overstated the scope of Mr. Epstein's waiver of liability pursuant to the Agreement. Ms. [redacted] began asserting that Mr. Epstein has waived liability even when claims with the identified individuals are not settled just after the execution of the Agreement. Despite the fact that at that time, we obtained an agreement from you that Mr. Epstein's waiver would not stretch past settlement, Ms. [redacted] continues to espouse this erroneous interpretation.

E. **Ms. [redacted] and The Settlement Process.**

We are concerned that Ms. Villafana has repeatedly attempted to manipulate the process under which Mr. Epstein has agreed to settle civil claims. First, she inappropriately attempted to nominate [redacted] for attorney representative, despite the fact that Mr. [redacted] has a longstanding relationship with Ms. [redacted] Mr. [redacted] turns out to be a very good personal friend and law school classmate of Ms. [redacted]'s [redacted], a fact she assiduously kept hidden from counsel. We also learned from Ms. [redacted] that she shared with [redacted] the summary of charges the government was considering against Mr. Epstein. Even after your Office conceded that it was inappropriate for its attorneys to select the attorney representative, Ms. Villafana continued to lobby for Mr. [redacted] appointment. On October 19, 2007, retired [redacted], who was appointed by the parties to select the attorney representative, informed Mr. Epstein's counsel that he received a telephone call from Mr. [redacted] directly requesting that [redacted] appoint him as the attorney representative in this matter.

Furthermore, federal interference continues to plague the integrity of the implementation of the Agreement. We recently learned that despite the fact that there was no communication between state and federal authorities as to the investigation of Mr. Epstein, the FBI visited the State Attorney's Office two weeks ago to request that Mr. Epstein be disqualified to participate in work release even though the Agreement mandates that Mr. Epstein be treated as any other inmate.

III. CONCLUSION

In sum, we request that you review the evidence supporting the prosecution of Mr. Epstein. Such a review would serve to address similar concerns as those raised in *Brady v. Maryland*, which mandate the disclosure of evidence material to guilt or innocence even after the execution of an Agreement to enter a plea of guilty. *See* 373 U.S. 83 (1963). We believe that the "prosecution team" was informed by its witnesses (including persons other than [redacted] and [redacted] who are discussed at length above) that Mr. Epstein's practice was to seek women older than 18 rather than targeting those under 18. We would expect, for instance, that [redacted] a key witness whose interview with the FBI was recorded, would have provided such exonerating information as well as many others. We would also expect the review to uncover clear evidence that demonstrates that Mr. Epstein did not travel to Florida for the purpose of having illegal underage sex nor that he induced underage women by using the Internet or the phones.

Furthermore, we ask you to consider whether there is reliable evidence not just that Mr. Epstein had sexual contact with witnesses who were in fact underage but whether the allegations are based on trustworthy (and corroborated) evidence that (i) Mr. Epstein knew that the female(s) in question was under 18 at the time of the sexual contact, (ii) Mr. Epstein traveled to his home in Palm Beach for the purpose of having such sexual contact to the extent the allegation charges a violation of 18 U.S.C. § 2423(b) and (c) Mr. Epstein induced such sexual contact by using an instrumentality of interstate commerce to the extent the allegations charge a violation of 18 U.S.C. § 2422(b) (there is no evidence of internet solicitation which is the norm upon which federal jurisdiction is usually modeled under this statute). We believe that the information we provide to you in this submission will be informative and spark a motivation to gain more information with respect to the investigation of this matter.

Again, we are not seeking to unwind the Agreement; we are only seeking for you to exercise your discretion in directing that an impartial and respected member of your Office test the evidence upon which the draft federal indictment was based against the "best evidence," including the transcripts of the tape recorded pre-federal involvement interviews.

Finally, I would like to reiterate our appreciation for the opportunity you have provided to review some of our issues and concerns. I look forward to speaking with you shortly.

Sincerely,

Jay P. Lefkowitz

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Jay P. Lefkowitz, P.C.
To Call Writer Directly:
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Facsimile:
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December 11, 2007

VIA FACSIMILE [redacted]

Honorable R. Alexander Acosta
United States Attorney
United States Attorney's Office
Southern District of Florida
[redacted]
Miami, FL 33132

Re: Jeffrey Epstein

Dear Alex,

I thank you for the opportunity to express my concerns with the Section 2255 component of the Non-Prosecution Agreement (the "Agreement"). I provide this submission as a good faith effort to communicate all of our concerns on this matter. I respectfully request that you consider the issues I discuss below in conjunction with the ethics opinion of Mr. Joe D. Whitley that I faxed to your Office on December 7.

Background of Negotiations

I believe it is important for you to be aware of the full scope and substance of our communications with your Office with respect to first, the negotiations regarding the inclusion of the Section 2255 component and second, the process of implementation of its terms. Contrary to your Office's view, we do not raise our concerns about the Section 2255 component of the Agreement at the "eleventh hour." Since the very first negotiation of the Non-Prosecution Agreement between the USAO and Mr. Epstein, we have verbalized our objections to the inclusion of and specific language relating to Section 2255. Also, when negotiating the settlement portion of the federal plea agreement, we immediately sought an alternative to the 2255 language. In fact, for the sake of expediting any monetary settlements that were to be made and to allow for a quick resolution of the matter, we repeatedly offered that Mr. Epstein establish a restitution fund specifically for the settlement of the identified individuals' civil claims and that an impartial, independent representative be appointed to administer that fund. This option, however, was rejected by your Office. Notably, while in our December 4 letter to me, you indicate that the reason for the rejection of a fund was because it would place an upper limit on

the victims' recovery, we placed no such limit on the amount that the alleged victims could recover.

Our objections regarding the Section 2255 component of the Agreement began as early as August 2 when, after receiving the USAO's proposed Non-Prosecution Agreement, we suggested that the 2255 component of the Agreement could be satisfied by the creation of a restitution fund:

> . . .Mr. Epstein is prepared to fully fund the identified group of victims which are the focus of the Office -- that is, the 12 individuals noted at the meeting on July 31, 2007. This would allow the victims to be able to promptly put this behind them and go forwards with their lives. If given the opportunity to opine as to the appropriateness of Mr. Epstein's proposal, in my extensive experience in these types of cases, the victims prefer a quick resolution with compensation for damages and will always support any disposition that eliminates the need for trial.

See letter from Lily Ann Sanchez to Chief Matthew Menchel dated August 2, 2007.[1] For the duration of the negotiations, we then continued to encourage the use of a restitution fund in place of civil liability under Section 2255. For example, in our draft plea agreement sent to your Office on September 16, 2007, we included the following paragraph:

> Epstein agrees to fund a Trust set up in concert with the Government and under the supervision of the 15th Judicial Circuit in and for Palm Beach County. Epstein agrees that a Trustee will be appointed by the Circuit Court and that funds from the Trust will be available to be disbursed at the Trustee's discretion to an agreed list of persons who seek reimbursement and make a good faith showing to the Trustee that they suffered injury as a result of the conduct of Epstein. Epstein waives his right to contest liability or damages up to an amount agreed to by the parties for any settlements entered into by the Trustee. Epstein's waiver is not to be construed as an admission of civil or criminal liability in regards to any of those who seek compensation from the Trust.

See draft proposal sent from Jay Lefkowitz to Andrew Lourie dated September 15, 2007. In response, Ms. Villafana demanded that the Agreement contain language considering the inclusion of a guardian ad litem in the proceedings, despite the fact that, we are now led to believe that all but one of the women in question are in fact not minors. Interestingly, Ms. Villafana not only raises the same concerns that now have become issues with respect to the implementation of the Section 2255 component, she also believes that the creation of a trust would be in the victims' best interests. Villafana writes:

[1] It was not until after receipt of this letter that Mr. Menchel indicated to us that the scope of liability would encompass not just the 12 individuals named in the indictment, but "all of the minor girls identified during the federal investigation." *See* Menchel e-mail to Sanchez dated August 3, 2007.

> As I mentioned over the telephone, I cannot bind the girls to the Trust Agreement, and I don't think it is appropriate that a state court would administer a trust that seeks to pay for federal civil claims. *We both want to avoid unscrupulous attorneys and/or litigants from coming forward, and I know that your client wants to keep these matters outside of public court filings*, but I just don't have the power to do what you ask. Here is my recommendation. During the period between Mr. Epstein's plea and sentencing, I make a motion for appointment of the Guardian Ad Litem. The three of us sit down and discuss things, and *I will facilitate as much as I can getting the girls' approval of this procedure because, as I mentioned, I think it is probably in their best interests.* In terms of plea agreement language, let me suggest the following:
>
> The United States agrees to make a motion seeking the appointment of a Guardian ad Litem to represent the identified victims. Following the appointment of such Guardian, the parties agree to work together in good faith to develop a Trust Agreement, subject to the Court's approval, that would provide for any damages owed to the identified victims pursuant to 18 U.S.C. Section 2255. Then include the last two sentences of your paragraph 8.

See email from Villafana to Lefkowitz dated September 16, 2007 (emphasis added). However, notably, in the draft agreement that follows, Ms. Villafana keeps the same objectionable language and only adds a portion of what was suggested in her communication to us:

> Epstein agrees that, if any of the victims identified in the federal investigation file suit pursuant to 18 U.S.C. § 2255, Epstein will not contest the jurisdiction of the U.S. District Court for the Southern District of Florida over his person and/or the subject matter, and Epstein will not contest that the identified victims are persons who, while minors, were victims of violations of Title 18, United States Code, Sections(s) 2422 and/or 2423.
>
> The United States shall provide Epstein's attorneys with a list of the identified victims, which will not exceed forty, after Epstein has signed this agreement and has been sentenced. The United States shall make a motion with the United States District Court for the Southern District of Florida for the appointment of a guardian ad litem for the identified victims and Epstein's counsel may contact the identified victims through that counsel.

See draft non-prosecution agreement e-mailed from Villafana to Lefkowitz dated September 17, 2007. The inclusion of a guardian ad litem, however, only served to complicate matters. We continued to reiterate our objections to the inclusion of § 2255 in the Agreement repeatedly, as evidenced in an email from Ms. Villafana to myself on September 23, 2005 where she writes: "we have been over paragraph 6 [the then relevant 2255 paragraph] an infinite number of times." During negotiations, it was decided that an attorney representative be appointed in the place of a guardian ad litem -- not for the sake of litigating claims, but based on the belief that a guardian ad litem would not be appropriate for adults that are capable of making their own decisions. However, the USAO included into the Agreement that we pay for the attorney representative -- when originally Ms. Villafana stated that the representative could be paid for by us or the federal court. *See* e-mail from Villafana to Lefkowitz dated September 23, 2007.

The final agreement was very similar to what was proposed by Ms. Villafana in her initial draft agreement on July 31, 2007:

> The United States shall provide Epstein's attorney's with a list of individuals whom it has identified as victims, as defined in 18 U.S.C. § 2255, after Epstein has signed this agreement and has been sentenced. Upon the execution of this agreement, the United States, in consultation with and subject to the good faith approval of Epstein's counsel, shall select an attorney representative for these persons, who shall be paid for by Epstein. Epstein's counsel may contact the identified individuals through that representative.
>
> If any of the individuals referred to in paragraph (7), *supra*, elects to file suit pursuant to 18 U.S.C. § 2255, Epstein will not contest the jurisdiction of the United States District Court for the Southern District of Florida over this person and/or the subject matter, and Epstein waives his right to contest liability and also waives his right to contest damages up to an amount as agreed to between the identified individual and Epstein, so long as the identified individual elects to proceed exclusively under 18 U.S.C. § 2255, and agrees to waive any other claim for damages, whether pursuant to state, federal, or common law. Notwithstanding this waiver, as to those individuals whose names appear on the list provided by the United States, Epstein's signature on this agreement, his waivers and failures to contest liability and such damages in any suit are not to be construed as an admission of any criminal or civil liability.

See final plea agreement. The Agreement requires Mr. Epstein to waive jurisdiction and liability under 18 U.S.C. §2255 for the settlement of any monetary claims that might be made by alleged victims identified by the USAO (the "identified individuals"). Mr. Epstein is precluded from contesting liability as to civil lawsuits seeking monetary compensation for damages for those identified individuals who elect to settle the civil claims for the statutory minimum of either $50,000 (the amount set by Congress as of the date of the occurrences) or $150,000 (the amount currently set by statute) or some other agreed upon damage amount. Mr. Epstein must pay for the services of the selected attorney representative as long as they are limited to settling the claims of the identified individuals.

The implementation of the terms of the Agreement was just as contentious as was the drafting and negotiation this portion of the Agreement. The first major obstacle was a direct result of Ms. Villafana's improper attempt to appoint, Mr. [redacted], a close, person friend of her [redacted] for the role of attorney representative. We objected in the strongest terms to such an appointment due to our serious concerns regarding the lack of independence of this and the appearance of impropriety caused by this choice. As a result, the USAO drafted an addendum to the Agreement. This addendum provides for the use of an independent third party to select the attorney representative and also specifies that Mr. Epstein is not obligated to pay the cost of litigation against him. Upon the decision that we would appoint an independent party to choose the attorney representative, we were engaged in consistent and constant dialogue with your staff as to the precise language that would be transmitted to the independent party to explain his or role.

At each juncture, the inclusion of a civil remedy in the Agreement has resulted in unending debates and disagreements with respect to the appropriate manner in which to implement the terms of the Section 2255 component. The main issues that have arisen since the drafting and execution of the final agreement include the process for the selection of an attorney representative; the scope of Mr. Epstein's waiver of liability and jurisdiction; the role of the attorney representative; the language contained in various drafts of the letter to the independent third party; the correct amount of minimum damages pursuant to Section 2255; the extent and substance of communications between the witnesses and alleged victims and the USAO and the FBI, particularly with respect to the settlement process; the language contained in the letters proposed to be sent to the alleged victims; and the extent of continued federal involvement in the state procedures of Mr. Epstein's state plea and sentence.

Notably, neither Section 2255, nor any other civil remedy statute, has been used as a pre-requisite to criminal plea agreement and it is clear that the use of these terms creates unanticipated issues. Furthermore, the waiver of rights of which the USAO insisted is also not a traditional aspect of criminal resolutions. While we were reluctant and cautious about a Non-Prosecution Agreement in which a *criminal* defendant gives up certain rights to contest liability for a *civil* settlement, we did not believe there was room for contention given the USAO's, and specifically, Ms. Villafana's ultimatums that required that we acquiesce to these unprecedented terms.

Concerns Regarding Section 2255

Mr Epstein unconditionally re-asserts his intention to fulfill and not seek to withdraw from or unwind the Agreement previously entered. He raises important issues regarding the implementation of the 2255 provisions not to unwind the provisions or invalidate the Agreement but instead to call attention to serious matters of policy and principles that you are requested to review.

As you will see below our main policy-related concerns are (1) the inclusion of Section 2255, a civil remedies statutes in a criminal plea agreement, (2) the blanket waiver of jurisdiction and liability as to certain unidentified individuals to whose claims the government has asserted they take no position, and (3) any communications between federal authorities, including your staff and the FBI, and witnesses and alleged victims and the nature of such communications. With respect to the interpretation of the terms of the Agreement, we do not agree with your Office's interpretation of the expansive scope of Mr. Epstein's agreement to waive liability and jurisdiction. Nor do we agree with your Office's view of the expansive role of the attorney representative. Below, I describe first, the policy implications and the practical problems that these terms have created or will create. Second, I describe points of contention as to the interpretation of various terms of the Section 2255 component of the Agreement.

I. Policy Considerations

The inclusion of Section 2255 in a criminal plea agreement is unprecedented and raises significant policy-related concerns. Some of these issues can create and have created problems as to the ability of this component to (1) maintain the integrity and independence of the USAO, (2) serve its purpose, namely to provide fair and appropriate recovery to any victims in a prompt fashion, and (3) protect the rights of the defendant. While we appreciate your consideration of our concerns described below, we are also confident that your commitment to justice and integrity will cause you to consider any additional policy and ethical issues that the Section 2255 component raises.

A. Government Involvement

The inclusion of Section 2255, a purely civil remedy, raises the risk of excessive government interference in private, civil matters. As Mr. Whitley states in his opinion, " . . .unnecessary entanglement of the government in such cases and the use of federal resources could improperly influence such cases and create the appearance of impropriety." It is well established that the government should refrain from getting involved in lawsuits. However, to include Section 2255 in a federal agreement inherently exacerbates the risk of federal involvement in civil litigation and thus far, in practice, the inclusion of this statute, as opposed to the creation of a restitution fund, has resulted in continued federal involvement in this matter.

Federal criminal investigators and prosecutors should not be in the business of helping alleged victims of state crimes secure civil financial settlements as a condition precedent to entering non-prosecution or deferred prosecution agreements. This is especially true where the defendant is pleading to state crimes for which there exists a state statute allowing victims to recover damages. *See* Florida Statutes § 796.09. The fact that state law accounts for the ability of victims to recover truly eliminates the need for a waiver of liability under a federal statute.

Furthermore, the vehicle for the financial settlement under the Agreement requires restitution in a lump sum without requiring proof of actual injury or loss federal authorities should therefore be particularly sensitive to avoid causing a prejudiced and unfair result. Section 2255 is a civil statute implanted in the criminal code that in contrast to all other criminal restitution statutes fails to correlate payments to specific injuries or losses and instead presumes that victims under the statute have sustained damages of at least a minimum lump sum without regard to whether the complainants suffered actual medical, psychological or other forms of individualized harm. We presume that it is for this reason that Section 2255 has never before been employed in this manner in connection with a non-prosecution or deferred prosecution agreement.

Mr. Epstein's blanket waiver of liability as to civil claims gives the appearance of impropriety. While your Office has, on several occasions, asserted that they take no position as to the claims of the individuals it identifies as "victims," the fact that they continue to promote the award of a civil settlement to these individuals is problematic. As you know, government contracts and plea agreement must not diminish or undermine the integrity of the criminal justice system. *See U.S. v. McGovern*, 822 F.2d 739, 743 (8th Cir. 1987) ("A plea agreement, however, is not simply a contract between two parties. It necessarily implicates the integrity of the criminal justice system and requires the courts to exercise judicial authority in considering the plea agreement and in accepting or rejecting the plea."). The requirement that Mr. Epstein blindly sacrifice his rights, as a civil litigant, to contest allegations made against him seem to contradict the principles of justice and fairness that are embedded in the tenets of the United States Attorney's Office.

I also assert that on both a principled and practical level, the mere involvement of your Office in the matter with respect to civil settlement is inappropriate. Even though we understood from you that federal involvement in this matter would cease after the attorney representative was selected, your Office continues to assert their obligation to be in contact with the alleged victims in this matter. Had we agreed to a restitution fund for the victims instead of the civil remedies provision, we would not have objected to your Office's communications with these individuals. However, because the alleged victims have the ability to recover damages based on a civil claim pursuant to the Agreement, we are concerned with your Office's ongoing efforts to stay involved in this matter. Contact with federal authorities at this point can only invite the possibility for impermissible or partial communications. Most recently, your Office sent us drafts of a letter that your Office proposed to send to the alleged victims (the "victim notification letter"). While the revised draft of this letter states that victims should contact the State Attorney's Office for assistance with their rights, there is no phone number provided for the office and instead, the letter provides the telephone number and an invitation to contact Special Agent Nesbitt Kuyrkendall of the FBI. Indeed, the letter as currently drafted invites not only contact between your Office and the victims, it also asserts that federal witnesses may become participants in a state proceeding, thus federalizing the state plea and sentencing in the same manner as would the appearance and statements of a member of your Office or the FBI.[2]

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[2] We are concerned with the fact that some of the victims were previously notified, as Mr. Jeffrey Sloman states in his letter of December 6 letter. In your letter of December 4, you state that you would not issue the Victim Notification Letter until December 7. Thus, it is troubling to learn that some victims were notified prior to that date. Please confirm when the victims were notified, who was notified, the method of communication for the notification, and the individual who notified them.

The proposed victim notification letter asserts that the federal "victims" have the right to appear at Mr. Epstein's plea and sentence or to submit a written statement to be filed by the State Attorney. However, as agreed to in the federal non-prosecution Agreement, Mr. Epstein will be pleading to *state charges* and he will be sentenced for the commission of *state offenses*. The "victims" the government identifies relate only to the federal charges for which Mr. Epstein was under investigation. The draft victim notification letter cites Florida Statutes §§ 960.001(k) and 921.143(1) as the authority for allowing the alleged victims to appear or give statements, however these provisions apply only to "the victim of the crime for which the defendant is being sentenced . . . " Thus Florida law only affords victims of state crimes to appear or submit statements in criminal proceedings and the state charges for which Mr. Epstein will be sentenced are not coextensive with the federal investigation. Further, any questions at this point involving the charges against Mr. Epstein or the proper state procedures under which he will plead or be sentenced are appropriately made to the State Attorney's Office.

Continued federal involvement in this matter has led to an impropriety that was unanticipated as well. Ms. Villafana attempted to manipulate the terms of Mr. Epstein's settlement so that persons close to her would personally profit. Ms. Villafana inappropriately attempted to nominate [redacted] for attorney representative, despite the fact that Mr. [redacted] turns out to be a very good personal friend of Ms. Villafana's [redacted], a fact she assiduously kept hidden from counsel. We requested alternate choices immediately, but were told that Mr. [redacted] had been informed of the charges the government would bring against Epstein and in response, he asked in an e-mail whether his fees would be capped. Needless to say, we were alarmed that Ms. Villafana would attempt to influence the settlement process on such improper grounds. And even after the USAO conceded that it was inappropriate for its attorneys to select the attorney representative, Ms. Villafana continued to improperly lobby for Mr. [redacted] appointment. On October 19, 2007, retired [redacted], who was appointed by the parties to select the attorney representative, informed Mr. Epstein's counsel that he received a telephone call from Mr. [redacted] directly requesting that [redacted] appoint him as the attorney representative in this matter. Although it is unclear how Mr. [redacted] even knows that [redacted] has been chosen to administer the settlement process, it can only be understood as Ms. Villafana's attempts to compromise the fairness of the settlement process.

B. Integrity of the Process and the Legitimacy of the Claims

The waiver of liability Mr. Epstein must make in relation to Section 2255 endangers the legitimacy of the claims made by the alleged victims. There is a heightened risk that the alleged victims will make false and exaggerated claims once they are informed of Mr. Epstein's waiver under Section 2255 for the settlement of claims pursuant to the Agreement. Indeed, Mr. Whitley states, " . . .the Department [of Justice] should consider developing processes and procedures to ensure that the investigative process is insulated from such risks." It is also well settled that witnesses cannot be given any special treatment due to the fact that it may affect the reliability of

their testimony. Any and all communications between the federal authorities and the alleged "victims" and witnesses in this matter has the ability to influence the reliability of the testimony obtained and the validity of the civil settlements that result.

Thus, there is still a real concern that some of the statements that federal prosecutors relied upon in its prosecution of this matter may have been tainted. An inquiry is required to confirm that at the time witness statements were given, there were no communications made by federal agents regarding potential civil remedies. The government should not provide promises of guaranteed monetary settlements to encourage cooperation because they run the risk of seriously tainting the reliability of witness statements. While we by no means are accusing your Office of making improper communications at this point the fact that the award of a civil settlement, without any requirement to prove liability, is available to the identified individuals, raises cause for concern as to the nature of all communications that are made to the 'victims.'

You previously stated that the USAO's main objective with respect to the Section 2255 component of the Agreement was to "place the victims in the same position as they would have been had Mr. Epstein been convicted at trial." However, to accomplish this goal, your Office rejected using traditional terms that allow for the restitution of victims. Instead, your Office chose to insert itself into the negotiations, settlement, and potential litigation of a civil suit. With all due respect, we object to your Office's attempt to make the victims whole by requiring that Mr. Epstein deprive himself of rights accorded to him as a potential civil defendant. While we are aware one of the responsibilities of your Office is to provide for restitution for victims of crimes, this does not give the government the responsibility to enable alleged victims to collect a civil settlement.

Despite this concern, it should also be noted that, the Agreement, both as written and as interpreted by your Office significantly enlarges the victims' ability to recover from Mr. Epstein. For instance, if the individuals attempted to litigate against Mr. Epstein, they would have been determined to be victims only after a lengthy trial, in which they would have been thoroughly deposed, their credibility tested and their statements subject to cross-examination. The defendant, under these circumstances, would not have had pay the plaintiffs' legal fees. Moreover, these individuals would face significant evidentiary hurdles, unwanted publicity, and most importantly, no certainty of success on the merits. Therefore, the notion that your Office is merely attempting to restore these " victims" to the same position as they would have been had Mr. Epstein been convicted at trial misunderstands the Agreement and your Office's implementation of its terms.

C. Rights of a Defendant

Requiring Mr. Epstein to make a blanket waiver of liability and jurisdiction as to unidentified victims whose claims to which the government takes no position can be construed as

violative of his Due Process rights. Furthermore, the fact that the statute at issue in this matter does not connect harm to the minimum amount available to the victim and simply includes a lump sum exacerbates the potential for injustice and an abridgement of Mr. Epstein's rights. At the very least, Mr. Epstein should be given the right to know the identity of the victims and the evidence upon which each one was identified as a victim by the government.

The USAO has provided no information as to the specific claims that were made by each identified individual, nor were we given the names or ages of the individuals or the time-frame of the alleged conduct at issue. The USAO's reluctance to provide Mr. Epstein with any information regarding the allegations against him leaves wide open the opportunity for misconduct by the federal investigators and eliminates the ability for Mr. Epstein and/or his agents to verify that the allegations at issue are grounded in factual assertions and real evidence. Indeed, the requirement that a target of federal criminal prosecution agree to waive his right to contest liability as to unnamed civil complainants creates at minimum an appearance of injustice, both because of the obvious Due Process concerns of waiving rights without notice of even the identity of the complainant and because of the involvement of the federal criminal justice system in civil settlements between private individuals. We reaffirm the right to test the veracity of the victims' claims as provided to us in the letter from you to Judge Davis dated October 25, 2007.

It has recently come to our attention that your staff has identified [redacted] as a "victim" for purposes of Section 2255 relief. Ms. [redacted] who initially and repeatedly refused to cooperate with federal authorities during the course of the investigation, only submitted to an interview after she was conferred with a grant of immunity. Surely this is not a demand typically made by someone who is a crime "victim". Moreover, Ms. [redacted] sworn testimony does not suggest that she is a victim. Ms. [redacted] has not only admitted that she lied to Mr. Epstein about her age claiming she was 18 years old, but that she counseled others to lie to Mr. Epstein in the same manner. Ms. [redacted] also states that Mr. Epstein was clear with her that he was only interested in "women" who were of age and that most of the young women she brought to his home were indeed over 18 years of age. Moreover, while Ms. [redacted] claims to have provided massages to Mr. Epstein, she does not allege to have engaged in sexual intercourse with Mr. Epstein; does not claim she provided him with oral sex; does not purport that Mr. Epstein penetrated her in any manner; denies Mr. Epstein ever used a vibrator, massager, or any type of "sex toy" on her; denies he touched her breasts, buttocks, or vagina; and states that she never touched Mr. Epstein's sexual organs – nor was she asked to do so by Mr. Epstein. Without a right to contest the liability of claims, Ms. [redacted] will likely receive far more in civil damages than what would be she would have had Mr. Epstein been convicted.

In addition, the Agreement with the USAO only defers federal prosecution of Mr. Epstein; it does not assert a declination to prosecute, as was first contemplated in the negotiation of the Agreement. Any payments made and/or settlement agreements reached with the alleged

victims prior to the foreclosure of any future federal prosecution carries the potential of being used as evidence against Mr. Epstein. Thus, to protect his rights as a defendant, Mr. Epstein should not be required to pay any of the alleged victims until after the threat of prosecution no longer exists.

II. Misinterpretations of the Agreement

The contentiousness caused by the implementation of the Section 2255 portion of the Agreement has also been caused by what we believe are misinterpretations of the terms by your Office. These problems, which I describe below, are a practical outgrowth of the fact that civil settlement, as opposed to restitution, is considered in the Agreement.

A. Role of the Attorney Representative

The USAO has improperly emphasized that the chosen attorney representative should be able to litigate the claims of individuals, which violates the terms, and deeply infringes upon the spirit and nature of, the Agreement. However, after the parties agreed to the appointment of an independent third party to select the representative, the government announced that the criteria for choosing an appropriate attorney representative would include that they be "a plaintiff's lawyer capable of handling multiple lawsuits against high profile attorneys." This interpretation of the scope of the attorney representative's role is far outside the common understanding that existed when we negotiated Mr. Epstein's settlement with the USAO. Moreover, we have made the USAO aware of the potential ethical problems that would arise should the selected representative be allowed to litigate *and* settle various claims against Mr. Epstein. The initial draft victim notification letter contained language that confirmed your Office's interpretation and indicated that Mr. [redacted] and Mr. [redacted], the selected attorney representatives, may "represent" the identified individuals. This language assumes that the selected representatives will agree to serve in the capacity envisioned by the USAO, which we believe is patently incorrect. To suggest this notion in a letter to victims who have limited or no knowledge of the ethical principles at issue will only lead to confusion, misunderstanding and disappointment among the identified individuals when they learn that such representation is foreclosed.

B. Scope of Mr. Epstein's Waiver

Your Office has taken the position that Mr. Epstein waives liability beyond the settlement of claims and that he will waive liability even in lawsuits brought by the identified individuals. However, this overstates the scope of Mr. Epstein's waiver pursuant to the Agreement. Mr. Epstein has only agreed that he will waive the right to contest liability and jurisdiction for the purpose of settling claims with the alleged victims pursuant to Sections 7 through 8 of the Agreement and Addendum. Mr. Epstein has no obligation to waive this right to contest liability

in any claim for damages -- by an enumerated "victim" or anyone else – where that party fails to settle her claims pursuant to the terms of the Agreement. The revised draft of the letter avoids this misinterpretation and directly quotes Paragraphs 7, 8, 9 and 10 of the Agreement. While we do not have any objection to including this portion of the Agreement in the proposed letter, we request that Paragraphs 7A, 7B, and 7C of the Addendum to the Agreement also be included because the language contained there in most clearly outlines the scope of Mr. Epstein's obligation to pay damages under the Agreement.

C. Right of the Alleged Victims to Be Notified

As we have expressed to you previously, we do not agree with your Office's assertion that it is either an obligation and even appropriate for the USAO to send a victims notification letter to the alleged victims. The Justice for All Act of 2004 only contemplates notification in relation to available restitution for the victims of crimes. However, since Section 2255 is only one of many civil remedies, there is no requirement that the USAO inform alleged victims pursuant to the Justice for All Act of 2004. Notably, if the USAO had agreed to include a restitution fund in the Agreement as opposed to a civil remedy statute, the alleged victims would have the right to be notified pursuant to the relevant Act.

Further, we note that the reasons you cite in favor of issuing the proposed Victims Notification letter in your correspondence of December 4 are also inapplicable to this scenario. For instance, you cite 18 U.S.C. § 3771 for the proposition that your Office is obligated to provide certain notices to the alleged victims. However, 18 U.S.C. § 3771(a)(2) & (3) provide:

> A crime victim has the following rights:
>
> (2) The right to reasonable, accurate, and timely notice of any public court proceeding, or any parole proceeding, *involving the crime* or any release or escape of the accused.
>
> (3) The right not to be excluded from any such public court proceeding, unless the court, after receiving clear and convincing evidence, determines that testimony by the victim would be materially altered if the victim heard other testimony at the proceeding.

(emphasis added). Your interpretation of § 3771 is erroneous because the rights conferred by the statute indicate that these rights are for the notification and appearance at public proceedings involving the crime for which the relevant individual is a victim. As you know, the public proceeding in this matter will be in state court for the purpose of the entry of a plea on state charges. Therefore, 18 U.S.C. § 3771 clearly does not apply to "victims" who are not state "victims." You additionally cite your Office's obligations under § 3771(c)(1) of the Justice for All Act of 2004. However, this subsection relates back to the "rights described in subsection (a)." Thus, since the rights set forth in subsection (a) only apply to the victims of the crimes for

which the public proceeding is being held, the individuals identified by your Office have no rights to notification or appearance under this Act.

You further cite 42 U.S.C. § 10607(c)(1)(B) and (c)(3) which, you state, obligates your Office to inform victims of "any restitution or other relief" to which that victim may be entitled and of notice of the status of the investigation: the filing of charges against a suspected offender: and the acceptance of a plea. Although we do not believe this applies here for the same reasons stated above, we further assert that your proposed Victims Notification letter seeks to go beyond what is prescribed under 42 U.S.C. § 10607. Indeed, there is nothing in the statute that requires your Office to solicit witness testimony or statements for the purposes of Mr. Epstein's sentencing hearing. Furthermore, we assert that any notification obligation you believe you have under this statute should be addressed by Judge Davis.

We submit to you based on the policy concerns of including a civil remedies statute in a criminal agreement and requiring the waiver of a defendants' rights under that agreement creates a host of problems that, in this case, have led to a serious delay in achieving finality to the satisfaction of all parties affected. We appreciate your consideration of these issues and hope that we can find a solution that resolves our concerns.

Sincerely,

Jay P. Lefkowitz