

Subject: Re: \$60,000.00
From: jeffrey epstein <jeevacation@gmail.com>
Sent: Wednesday, November 9, 2011 3:09:40 PM
To: drsra [REDACTED]

gree

Sorry for all the typos .Sent from my iPhone

On Nov 9, 2011, at 3:15 PM, drsra [REDACTED] wrote:

I spoke with my CPA and a friend who is the the CFO/CPA for Harry Hamilton, and both agree that the Bank can 1099 Hardman Development and the income liability does not pass through to stockholders IF it is really an S Corp. In other types of business entities the forgiveness of debt income does pass to the stckholders. Therefore, the best course of action would be to pay the \$60,000.00 in return for, 1) a release from my personal guaranty with the assurance that any 1099 would NOT be issued to me personally, but to Hardman Development, 2) that when the short sale goes through I am released from any commercial guaranty as well. This way I retain my stock and can take advantage of any business losses, plus I can sue Mike Hardman for records and accounting of the money once it was received by Hardman Development to be sure he did not squirrel any away or is attempting to stick me with past due IRS taxes.

The fact Kranz is dragging his feet in response helps in that the date of any short sale keeps approaching. That way I can put off having to take the deal that includes transfer of my stock to Mike. That is the measure of last resort and is better than a deficiency judgment, but if I can keep the stock it is better according to me CPA. Please create a paper trail of communication with Kranz (e-mail or letter) so that we can demonstrate a good faith effort to resolve this. ALso, contact the lawyer for the buyer and see if they have a projected sale date yet. If this falls thru I want to be prepared to take the Bank's deal that includes the transfer of stock.