

**To:** Jeffrey Epstein[jeevacation@gmail.com]  
**From:** Richard Joslin  
**Sent:** Thur 8/7/2014 2:56:16 PM  
**Subject:** FW: Artspace  
BALANCE SHEET AUG 7 1030AM.xls

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**From:** Richard Joslin  
**Sent:** Thursday, August 07, 2014 10:53 AM  
**To:** 'John Murphy'; Eileen Alexanderson; 'Lakhdhir, David K'; Larsen, Sonia  
**Cc:** [REDACTED]  
**Subject:** Artspace

Balance sheet

Further discussion needed today re APA. Thought is to cap payments owed to Sellers to be the amount of commissions owed as of 8/15/2014 (and not assume any other liabilities arising before 8/15 or closing). Funding via bridge loan was intended to cover operations up to 8/15 including payroll. All sundry receivables and payables would be retained by Artspace. We have apparently agreed to allow the rent deposit and \$50,000 of landlord LOC to be used to break lease. Presumably any cash remaining would be used to pay any unpaid debts and Sellers would use Purchase Price to pay bridge loans and any remaining liabilities. We want to retain employees on site and this would be a post close liability by Purchaser. Purchase price adjustments include expenditures already made related to Pillsbury deal related fees and D&O insurance accruing post 8/15. Query if we are agreeing to provide a cost to liquidate purchase price adjustment.

I think if we talk through the balance sheet it will help PW redact the AP and flush out other adjustments. Also would be helpful to ensure we have identified all assets that we wish to purchase, including those that may not be itemized on the balance sheet.

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Richard Joslin

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