

**To:** Jeffrey Epstein[jeevacation@gmail.com]; Jean Luc Brunel[REDACTED]  
**From:** G Sera  
**Sent:** Sun 2/23/2014 9:35:58 AM  
**Subject:** Current status

Dear Jeff and Jeanluc,  
A quick summary of where we stand and a few considerations

#### SITUATION

-Ruth found a possible buyer for 2.3m (what a chance, exactly the valuation I gave the company one year ago when she was asking, as per the document provided also to you, "no less than 3,3m")

#### COMPLICATIONS

- The possible buyer did not provide a binding offer
- We still have not received the 2013 p&l
- Ruth has apparently heard that JL mentioned to other agencies that Karin is going bust. When confronted with the idea that Ruth might have to sell to JL she pretty much said "over my dead body". JL please correct me if this is not accurate.
- A lawyer should confirm if Ruth has the right to refuse the right of first refusal after she communicates to JL she intends to sell officially
- Without JL involved in the company, Karin is doomed to close sooner or later, as the trend shows

#### CONSIDERATIONS

- Whatever the next steps will be, we should get the official 2013 accounting and understand if it's true that Ruth can refuse to sell to JL after she officially sent a letter she is selling for a specific amount
- One option is to convince Ruth to sell to JL. Now that the buyer seems out of the picture it might be hard
- A second option is to ask Ruth for 1 or 1,1m for JL shares. I would have to see the 2013 numbers before, but it would seem a very good valuation at those prices
- A third option is to do what discussed last year. With a few % points Fabio and myself can coordinate a legal strong-arm to exploit the imperfections that are today in Karin and we might convince Ruth to leave
- A fourth option is to open a new agency, take the best people that are in Karin, show them how efficient modeling is done and when they close buy back the brand

As always I am available 24/7 for any comment/question

Thank you

GS