

To: Stephen Hanson [REDACTED]
From: Jeffrey Epstein
Sent: Mon 12/9/2013 10:48:32 PM

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Barry,

I've carefully reviewed your email. I agree that we should not have a messy divorce. I understand your concerns regarding me not having skin in the game, so in a friendly attempt to get this behind us, I suggest, for purposes of settlement only, that we try to resolve matters here;s three suggested alternatives.

1. I kick in 500k from our agreed 2.5. million to go to employees. You buy my stock by the end of this year for \$1.5MM and i will resign at that time. After my resignation, you will get a 6-month general non-compete from me, as well as a 2-year non-compete for Striphouse . At the end of the 6-month general non-compete and only at the end , you pay me \$500K, provided I have not breached the non-competes (thus, I am wholly at risk if I breach). I would ask that you allow me 2 restaurants during the 6-month general non-compete, but i will accept it if you decide not to allow any . I will help you transition and sell the business.

2. I will kick in 500k for employee retention. You will buy 25% of my stock in each of the four consecutive months from January through April 2014 for \$500K per monthly purchase, or \$2MM in the aggregate. I will continue to work until June 2014 at full salary and benefits. There will be no non-complete when I resign in June 2014, except for a 2-year Striphouse non-compete. In the event of a sale of the business between now and June 2014, you will pay me a bonus, the amount of which is to be decided solely by you.

3. You will buy my stock for \$1.5 MM by the end of this year and I will resign at that time. There will be no non-complete, except for a 2-year strip house non-compete, and neither you nor I will have any further obligations.

I have really attempted to address your lack of trustm and other concerns that i find upsetting but which I believe to be fair to us both.