

**To:** Melanie Spinella [REDACTED]  
**From:** Jeffrey Epstein  
**Sent:** Sun 9/22/2013 1:48:40 PM

With due respect, I think a freeze partnership is far less complex than derivatives. The Code and regulations provide a roadmap of how to structure a freeze partnership. (Please identify the complex accounting rules that give you pause.) Further, we can unwind in the future. Derivatives, in my view, raise gift and estate tax concerns under 2703 and corporate law issues. And GRATs, while very effective, could lead to the very same concerns we faced earlier: Leon's lost income flow and increasing promissory notes.

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Alan S. Halperin | Partner  
Paul, Weiss, Rifkind, Wharton & Garrison LLP  
[REDACTED]

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**From:** "Jeffrey Epstein" [jeevacation@gmail.com]  
**Sent:** 09/22/2013 09:25 AM AST  
**To:** Alan Halperin  
**Subject:** Re:

clever,--- I am hesitant to have a partnership with a fixed future and extremely complex accounting and rules. There is a time component to the structures. I am also not familiar with the sec laws that might apply.

with regard the exchange of pro note for the art. I am attempting to make a distinction between the owner of the trust and the owner of the consideration.

On Sun, Sep 22, 2013 at 9:15 AM, Alan S Halperin <[REDACTED]> wrote:

[REDACTED] Will do. And please send me your analysis of the freeze partnership in light of apparent willingness to have art tied up in trust.

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**From:** "Jeffrey Epstein" [jeevacation@gmail.com]  
**Sent:** 09/22/2013 07:26 AM AST  
**To:** Alan Halperin; "Ada Clapp" <[REDACTED]>

my argument is that leon is owner for fed income tax purposed of the promissory note, he owns the consideration. and substituties the art. It cannot be recognized for sales taz as he owns the same consideration before and after. its not that there is no consideration it is the ownership of that consideration did not change.

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