

**To:** jeevacation@gmail.com[jeevacation@gmail.com]; Jeffrey Epstein[jeevacation@gmail.com]  
**From:** bryan bantry  
**Sent:** Wed 8/3/2011 12:18:32 PM  
**Subject:** msg from bryan bantry

jeffrey,

further to our conversation see explanation below from our accountant katia goldin.

i am available if you would like to speak.

many thanks,

bryan

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All invoices for The Peggy Siegal Company are issued by and paid to Waggingtail Entertainment Ltd.

All expenses for The Peggy Siegal Company are paid for by Waggingtail Entertainment Ltd.

Waggingtail Entertainment Ltd. pays a commission fee to Peggy Siegal Inc. The commission fee is equal to 60% of revenue less expenses. The only exception to this is for invoices issued to HBRK Associates Inc. in which case 100% of revenue is paid to Peggy Siegal Inc.

Peggy Siegal Inc. is an S corporation and according to current tax law Waggingtail Entertainment Ltd. is not required to issue any tax forms (e.g. 1099) to Peggy Siegal Inc.

Peggy Siegal is the sole shareholder of Peggy Siegal Inc. As an S corporation, Peggy Siegal is required be on payroll which also satisfies health insurance plan requirements. W-2 and a K-1 forms (for distributions over and above payroll) are issued to Peggy Siegal from Peggy Siegal Inc at the end of the each year.

Peggy Siegal Inc submits a monthly invoice to Waggingtail Entertainment Ltd. for any incidental business expense reimbursement. This covers any expenses not already billed directly to Waggingtail Entertainment Ltd.>