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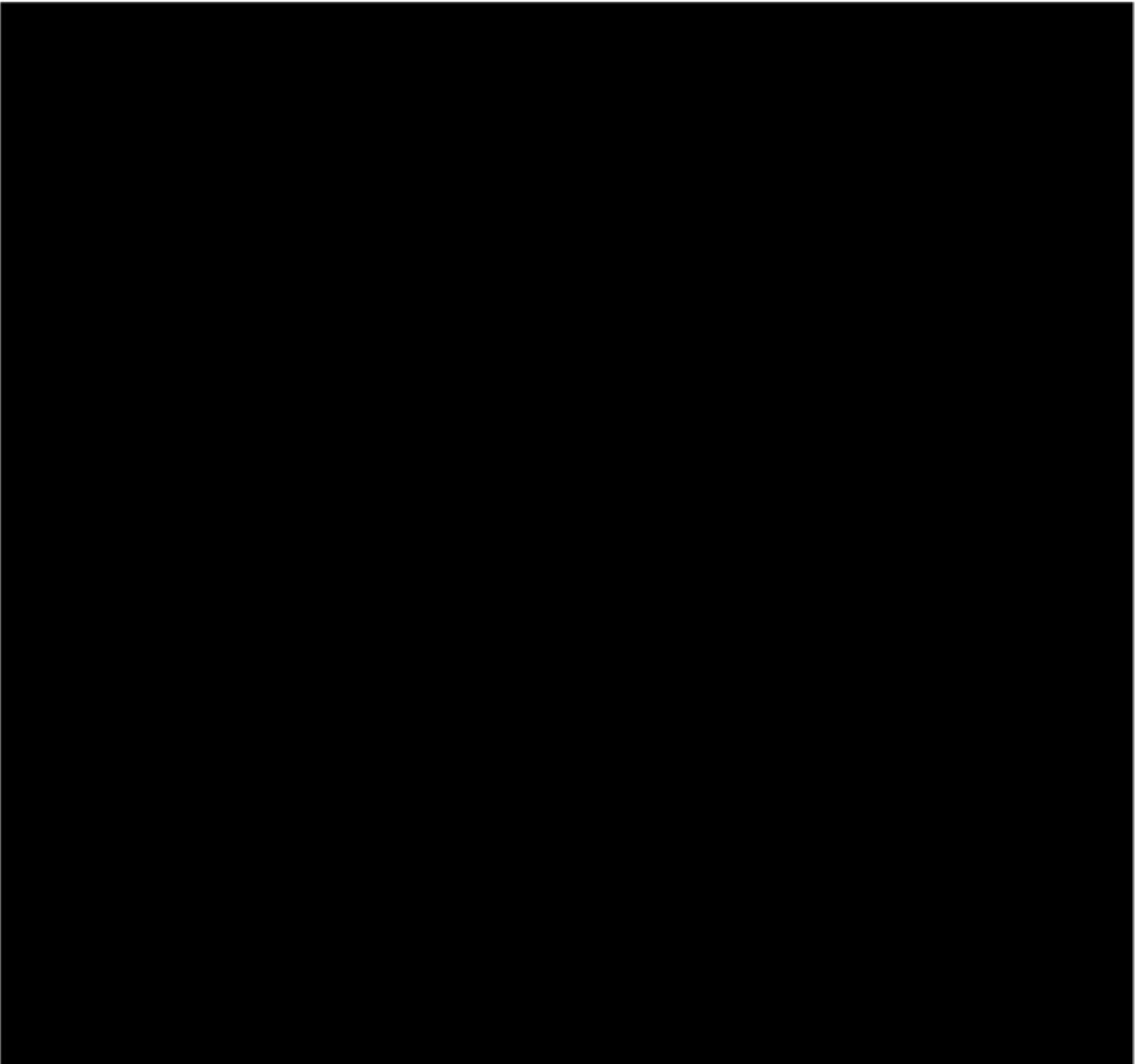
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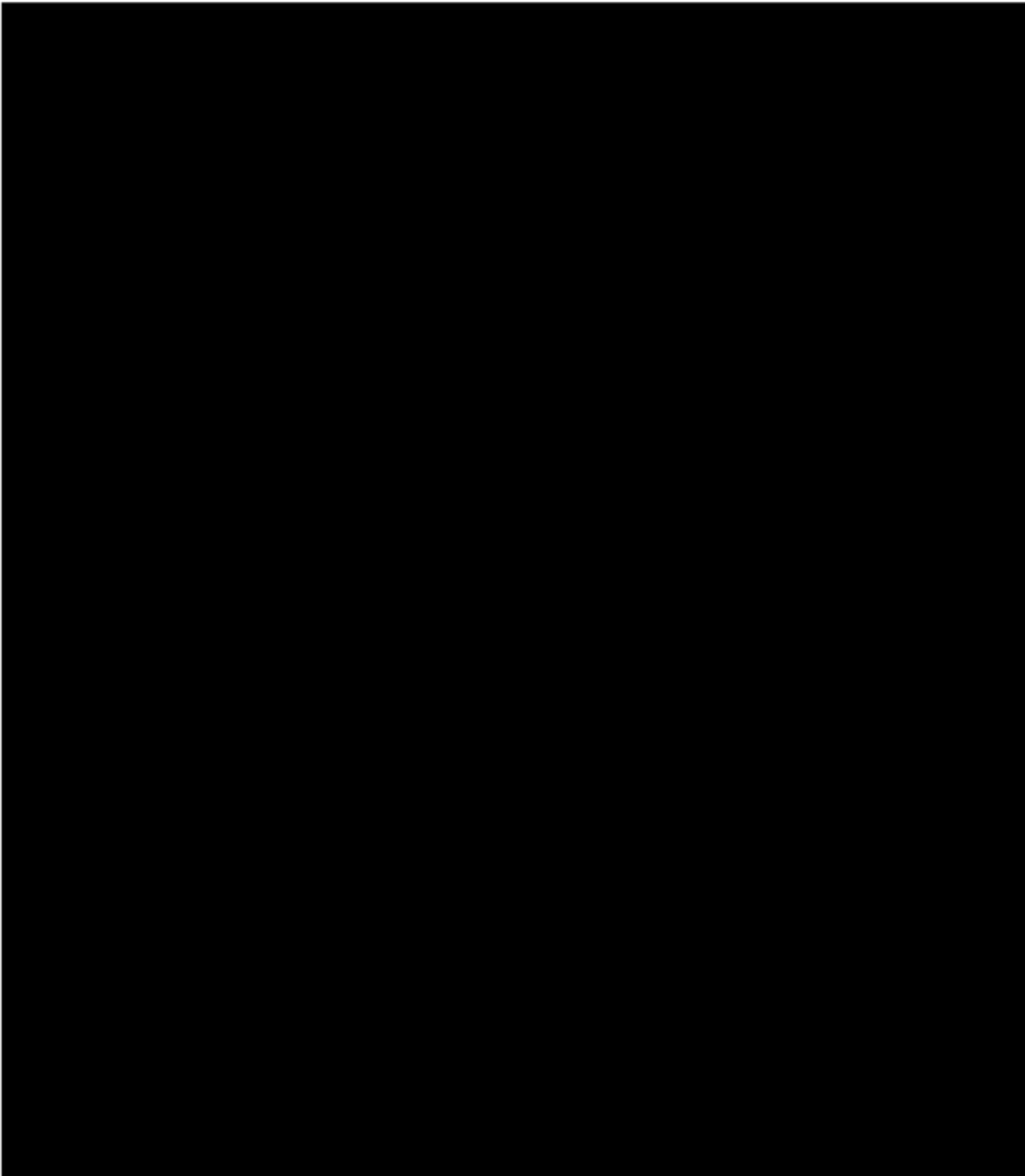
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A new MIT report on Jeffrey Epstein raises questions about how much to blame billionaires like Bill Gates

Recode

By Theodore Schleifer

1/10/2020

For months, tech billionaires have been on the ropes over the ties they maintained with money manager Jeffrey Epstein well after he was indicted and registered as a sex offender in 2008. Many of those connections centered around MIT's Media Lab, an institution popular in Silicon Valley and that had a concealed fundraising relationship with Epstein.

But many of those billionaires — from Bill Gates to Reid Hoffman — weren't exactly revealing about their ties to Epstein when he was arrested this summer, or were at least quick to defend the Media Lab's leadership over the Epstein situation.

Many hoped that a months-in-the-making external report from lawyers hired by MIT would finally put those questions to rest. But when the report was released Friday, investigators skirted direct answers and statements of fact, and ultimately failed to settle some of the basic questions about Silicon Valley's responsibility for nurturing Epstein.

A Gates representative didn't return a request for comment. A Hoffman representative referred to an apology Hoffman issued earlier this year about his interactions with Epstein.

Let's start with Gates. The until-recently richest man in the world has consistently downplayed his ties to Epstein, telling one reporter, "I didn't have any business relationship or friendship with him." But Gates is among the tech billionaires with the most extensive disclosed ties to Epstein.

Whether Epstein and Gates did have a "business relationship" has been disputed. Gates did make a \$2 million donation to the Media Lab in 2014. And Ronan Farrow reported in the *New Yorker* that Epstein was credited with securing the Gates money, with internal records saying that Epstein had "directed" the gift or that it was made at his instruction.

"Gates is making this gift at the recommendation of a friend of his who wishes to remain anonymous," the record read.

Gates's aides denied Epstein's direction of the gift. But if he did, as Farrow reported he did, it raises the possibility that Gates was somehow complicit in the image rehabilitation of Epstein and part of an unseemly cover-up.

But MIT investigators did little to help establish truth and fiction in the situation.

"In 2014, Epstein claimed to have arranged for Microsoft cofounder Bill Gates to provide an anonymous \$2 million donation to the Media Lab," MIT's lawyers wrote in the 63-page report. "Representatives of Bill Gates have told us that Gates flatly denies that Epstein had anything to do with Gates's donation."

This, suffice it to say, skirts the question of who is telling the truth — and effectively leaves it as an unresolved he said, she said.

When Recode asked the lawyers involved in the report if this sidestep was intentional, they would only say that "we didn't see any evidence" that Gates or any Gates entity "were donating money from Mr. Epstein or that they were donating money at the behest of Mr. Epstein." They used similar language — "there is no evidence" — to respond to the notion that Gates acted to "launder" Epstein's money by donating money that didn't belong to the Microsoft founder.

In the report, MIT's investigators do not definitively say it did not happen — just that they didn't see any evidence of it. And that statement would then have to be reconciled with MIT's internal records, which offer at least some evidence to the contrary.

While there are many reasons to doubt the credibility of Epstein and of Joi Ito, the ousted head of the MIT Media Lab, there are also reasons why Gates and his denial should be scrutinized.

Despite Gates's public comments minimizing his ties to Epstein, the *New York Times* uncovered numerous instances of the two meeting privately, to say nothing of Gates's underlings. At one point, Gates told colleagues that the lifestyle of Epstein, who at that point was already a convicted sex offender, was "intriguing." (A spokesperson told the *Times* the comment had nothing to do with Epstein's lurid past.)

“Bill Gates regrets ever meeting with Epstein and recognizes it was an error in judgment to do so,” a Gates spokesperson told the paper this fall.

That brings us to another Silicon Valley luminary who has apologized over Epstein: Reid Hoffman. The LinkedIn founder and political powerbroker has his own ties to Epstein through the Media Lab, where he sits on the advisory board. Hoffman helped raise money for the Media Lab, which involved fundraising solicitation meetings with the sex offender.

“By agreeing to participate in any fundraising activity where Epstein was present, I helped to repair his reputation and perpetuate injustice. For this, I am deeply regretful,” Hoffman said.

Hoffman has said that he vouched for Epstein because Ito told him Epstein had cleared MIT’s vetting process. He even went so far as to bring Epstein out to Palo Alto in 2015 for a dinner with people like Mark Zuckerberg, Elon Musk, and Peter Thiel. (Reminder: Epstein had been convicted on child prostitution charges for seven years by this point.)

That was the last time that Hoffman saw Epstein. But as recently as last August, Hoffman was standing up strongly for Ito and his handling of the Epstein situation. It took Hoffman until Farrow’s story in September to apologize.

And this new report from MIT makes clear that Hoffman and Epstein had other interactions over the years. In July 2013, Epstein visited the MIT campus to meet with Hoffman and others. And Hoffman continued to be consulted on Epstein matters.

“In July 2016, Ito sought advice from Reid Hoffman about whether to allow Epstein to attend a conference (perhaps the announcement of the Media Lab Directors’ Fellows) with “lots of people” who may “see him and maybe know he’s involved,” the authors write.

What they don’t write is what Hoffman actually advised Ito. That’s one of many things we still need to know to fully account for Silicon Valley’s complicity in the Epstein saga.

More Epstein Fallout at MIT

Inside Higher Ed
By Colleen Flaherty
1/13/2020

The Massachusetts Institute of Technology said Friday that Seth Lloyd, Nam Pyo Suh Professor of Mechanical Engineering and Physics, is on paid leave for deliberately failing to report donations from the late sex offender Jeffrey Epstein.

Lloyd also was found to have received \$60,000 from Epstein in 2005 or 2006, which he acknowledged he deposited into a personal bank account without notifying MIT.

The revelations come from a new fact-finding report commissioned by MIT to better understand Epstein’s interactions with MIT before and after his conviction in 2008. (Epstein faced additional sex-trafficking charges prior to his death in federal custody last summer.) MIT committed to the external review following the resignation of Joi Ito as director of the Media Lab in September over reports that he’d deliberately concealed donations from Epstein.

Epstein gave Lloyd two \$50,000 donations in 2012 and \$125,000 in 2017, according to the new report. Allegedly knowing that these gifts would raise red flags, Lloyd let midlevel administrators process them without discussing the move with senior administrators first.

Goodwin Procter, the law firm behind the investigation, also found that Epstein had visited MIT’s campus nine times since 2013.

Alan G. Spoon, a member of the MIT Corporation, the university's governing board, said during a news conference that he found the campus visit information to be "very disturbing."

Fellow board member Denis A. Bovin said that MIT allows its professors to invite whomever they wish to campus, but that that may change. The question, he said, is "where do you draw the line?" Noting that the courts deemed Epstein a Level-3, or highest-level sex offender, Bovin suggested that that was a good place to start.

MIT, working with faculty members, also plans to review its various donor policies. The new report says that the Epstein donations violated no university policy on controversial donors because no such policy exists. But the report accuses those involved in hiding the donations of exercising poor judgment. It recommends a review of conflict of interest and other gift guidelines.

President Rafael Reif has faced internal and external scrutiny over the Epstein case -- including questions about how much he knew, when. The report found that while some of Reif's vice presidents knew about the donations and tried to cover them up, he did not. Two of those colleagues left MIT several years ago, and the third, Israel Ruiz, previously announced that he is stepping down as executive vice president and treasurer.

Reif had already admitted that he signed a standard gift acknowledgment letter involving Epstein in 2012. The report determined that he did not know who Epstein was at the time.

Spoon said the board retains "full confidence" in Reif's leadership.

Reif said in an all-campus memo Friday that "if we can face the institute's flaws with honesty and build on its great strengths, we can not only make our community stronger, more equitable, more inclusive and more effective, we can offer a model for deliberate self-assessment, growth and change."

Underscoring recommendations from the MIT Corporation's executive committee, Reif pledged action on creating guidelines on controversial donors and encouraging whistle-blowers to come forward. He also promised to keep the campus safe from visitors who may pose a threat, to support the Media Lab that accepted Epstein funds via Ito in its path forward, and to work on broader campus climate issues.

Via email, Lloyd said he couldn't comment at the moment but planned to later this week. Spoon and Bovin said he is facing the standard faculty disciplinary process.

Under mounting pressure, MIT said last year that Epstein had made donations totaling \$800,000 and that it would donate the same amount to sexual abuse survivors. It also pledged to provide more details after a full review.

Goodwin Procter's investigators found that Epstein's donations in fact totaled \$850,000, starting with a \$100,000 gift in 2002 to Marvin Minsky, a professor who died in 2016. Nine other donations were made after 2008, according to the report, amounting to \$525,000 to the Media Lab and \$225,000 to Lloyd.

The Media Lab reportedly rejected a \$25,000 gift from Epstein last year, as he attracted more media attention.

Epstein reportedly said in 2014 that he'd arranged major donations to MIT from Bill Gates and Leon Black of Apollo Global Management. But the report found no evidence to support that. The Gates Foundation also denied the claim.

Those MIT administrators involved in concealing Epstein's donations reportedly developed an acceptance "framework" that involved smaller, unpublicized donations. But Epstein repeatedly ignored that requirement, the report found, and even claimed credit in 2014 for gifts he did not make to MIT.

Investigators also determined that Ito in 2016 tried to get Robert Millard, chair of the MIT Corporation, to woo him as a donor. Epstein invited Millard to dinner, but he declined.

MIT is working with faculty members to determine where it will donate the new figure of \$850,000 to abuse survivors.

Harvard professor sues NYT over Epstein donations story

The Hill

By Harper Neidig

1/13/2020

A Harvard law professor is suing The New York Times, accusing the paper of publishing "false and defamatory" information and employing "clickbait" in an article about him.

Lawrence Lessig, the legal scholar and political activist, filed his lawsuit in the U.S. District Court for the District of Massachusetts on Monday.

"Defendants' actions here are part of a growing journalistic culture of clickbaiting: the use of a shocking headline and/or lede to entice readers to click on a particular article, irrespective of the truth of the headline," he wrote in the lawsuit. "Defendants are fully aware that many, if not most, readers never read past the clickbait and that their takeaway concerning the target of the headline is limited to what they read in the headline."

He contends that the Times published false information about him in the headline and lede of an article about an essay he had written regarding Jeffrey Epstein's donations to MIT.

The headline on the story reads, "A Harvard Professor Doubles Down: If You Take Epstein's Money, Do It in Secret." And the first line of the story: "It is hard to defend soliciting donations from the convicted sex offender Jeffrey Epstein. But Lawrence Lessig, a Harvard Law professor, has been trying."

The story, which includes an interview with Lessig, references an essay he wrote arguing that institutions like MIT are right to keep certain donations private.

But he argues that he was not making the case for taking money from people like Epstein, a convicted sex offender who was facing trial for sex trafficking when he was found dead in his jail cell last year. Lessig says that his point was that if an institution is going to take money from criminals or unsavory figures, then the donor should remain anonymous.

"My essay said—repeatedly—that such soliciting was a 'mistake,' " Lessig wrote in a blog post announcing the lawsuit on Monday. "And more importantly, it was a mistake because of the kind of harm it would trigger in both victims and women generally."

A spokeswoman for The New York Times did not immediately respond when asked for comment on the lawsuit.

Lessig said in the lawsuit that he asked the Times to change the headline and lede of the story but the paper refused.

