

8/15/08 AMCV e-mail re Agrmt

Can't make argument

If December wasn't accepted, then we are back to October modification

- more victims - not limited to ones prepared to name in an indictment
- waives right to challenge liability
- need to pick Special Master ^{attorneys}
 - if any of Mr. Epstein's ^{attorneys} tries to scare off the selected attorney representative or Special Master it will be a breach
- one week to do submissions to Special Master, no more lollygagging

This is a "you reap what you sow" moment.

We tried to limit Mr. Epstein's exposure. We tried to reduce the chance of unscrupulous attorneys trying to take advantage of the publicity and unsophisticated victims.

~~We~~ We tried to bring quick, quiet resolutions

You decided that it was in your client's best interests to roll the dice and go for broke ~~everything~~ and to smear Jeff Stroman and me in the meantime. Now you have plaintiffs attorneys holding press conferences and victims making multi-million dollar claims in lots of different courts.

If you put that in writing and send it to OPR, I will put it behind me

Mr. Black is the only member of Mr. Epstein's team who has not leveled fake allegations of misconduct

The contents of
12/9 letter were
clear. that is why
we were not surprised
that counsel took actions
affirming acceptance

and his co-counsel

Ask that you enter an ore / tenus motion
limiting Mr. Edwards' distribution
~~We~~ to ~~his~~ clients Jane Does 1 + 2
and co-counsel

As clearly stated in the letter,

Issue regarding what is the agreement, despite fact that
- working to resolve that now Mr. Tein filed my
Decl. in the civil

suits against Mr. Epstein
in support of their motion to
stay the litigation.

Names additional persons
↳ 6 grand jury

Mr. Cassell

Mr. Edwards

Mr. Lee

Judge Marra

Filed a case yesterday on behalf of S.R.

KIRKLAND & ELLIS LLP

AND AFFILIATED PARTNERSHIPS

Citigroup Center
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August 18, 2008

VIA FACSIMILE (561) 820-8777

A. Marie Villafana
United States Attorney's Office
Southern District of Florida
500 South Australian Avenue, Suite 400
West Palm Beach, Florida 33401

Re: Jeffrey Epstein

Dear Marie:

I write in response to your letter dated August 15, 2008 regarding the civil restitution portion of the Deferred Prosecution Agreement (the "Agreement"). Thank you for confirming our position that the December modification proposal is not part of the Agreement. As expressed by U.S. Attorney Acosta in his December 19, 2007 letter, the unorthodox use of a civil restitution statute in a federal plea agreement, which resulted in state charges against Mr. Epstein, has caused several miscommunications with respect to the implementation of the terms of that Agreement. In order to avoid any further miscommunications and to ensure that the 18 U.S.C. § 2255 aspects of the Agreement are carried out in a proper manner, it would be useful to come to an agreement as to the implementation of the civil restitution portion of the Agreement. As we have previously stated, Mr. Epstein fully intends to abide by the terms of the Agreement, and we hope you appreciate that our efforts to resolve any misunderstandings between Mr. Epstein and the government about the terms of the Agreement are intended only to ensure that it is carried out fully and fairly.

In an effort to avoid having either party unintentionally breach the Agreement, we suggest that steps be taken to clarify the meaning of paragraphs 7-10. It would be extremely helpful to both sides to have an independent third party consider the Agreement and offer the final word on how certain clauses should be interpreted and satisfied. Because the government has already enlisted Judge [REDACTED] to select the attorney representative under the Agreement, we would be amenable to his serving in this role.

In order to come to an agreement on the exact procedure by which the identified individuals will obtain restitution, I am providing you with our thoughts on three issues below.

KIRKLAND & ELLIS LLP

A. Marie Villafana
August 18, 2008
Page 2

Once we come to an agreement on the following and you provide a complete and final list of identified individuals, it will be appropriate to notify them.

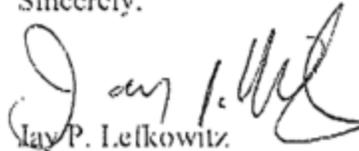
First, I am concerned by your suggestion that you might want to increase the number of individuals on the government's list. I had expected the number to have become smaller, because when we spoke prior to signing the agreement, you told me that the government already had a list, and we were informed thereafter that the September 24, 2007 list had been narrowed. Certainly, anyone who was not on the list prior to September 24, 2007 cannot permissibly be added to the list.

Second, we will cooperate with the government to reach to an agreement as to substance of the notification to be sent to the government's list of individuals. Based on the Agreement, the information contained in the notification should be limited to (1) the language provided in the Agreement dealing with civil restitution (paragraphs 7-10) and (2) the contact information of the selected attorney representative. We object to the inclusion of additional information about the investigation of Mr. Epstein, the terms of the Agreement other than paragraphs 7-10, and the identity of other identified individuals.

Third, as you are aware, the Addendum requires that "the parties will jointly prepare a short written submission to the independent third-party regarding the role of the attorney representative and regarding Epstein's Agreement to pay such attorney representative his or her customary hourly rate for representing such victims subject to the provisions of Paragraph C, infra." We will certainly cooperate with the government to draft such a joint submission and would be pleased to submit draft language to you for such a joint submission.

I look forward to working with you to resolve these matters. I believe we have a mutual interest in moving past all of these issues so that the civil restitution aspects of the Agreement can be fulfilled.

Sincerely,


Jay P. Lefkowitz

cc: Karen Atkinson, Chief, Northern Division

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August 18, 2008

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August 18, 2008

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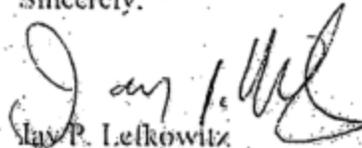
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I look forward to working with you to resolve these matters. I believe we have a mutual interest in moving past all of these issues so that the civil restitution aspects of the Agreement can be fulfilled.

Sincerely,


Jay P. Lefkowitz

cc: Karen Atkinson, Chief, Northern Division

KIRKLAND & ELLIS LLP

Fax Transmittal

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Phone: [REDACTED]
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Please notify us immediately if any pages are not received.

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[REDACTED] 446-4800.

To:	Company:	Fax #:	Direct #:	
A. Marie Villafana	United States Attorney's Office	561-820-8777	561-209-1047	
CC:	Company:	Fax #:	Direct #:	
Karen Atkinson	United States Attorney's Office	561-820-8777		
From:	Date:	Pages w/cover:	Fax #:	Direct #:
Jay P. Lefkowitz	August 18, 2008	3	[REDACTED] 446-6460	212 446-4970

Message:

Villafana, Ann Marie C. (USAFLS)

From: Acosta, Alex (USAFLS)
Sent: Friday, August 15, 2008 11:55 AM
To: Villafana, Ann Marie C. (USAFLS); Sloman, Jeff (USAFLS); Senior, Robert (USAFLS); Lee, Dexter (USAFLS); Atkinson, Karen (USAFLS)
Subject: RE: New proposed response to Jay

How about a slightly different version:

Thank you for your response. Our communications with Roy Black and later with you were solely to determine what Mr. Epstein considered to be the terms of the Non-Prosecution Agreement. We appreciate your answering our question with finality. You have now made clear that Mr. Epstein did not accept the December modification, and accordingly, we will now consider that modification to be a nullity.

Pursuant to our Agreement, I will prepare an Amended Notification that contains the name of additional identified victims. In accordance with Paragraph 7B, please provide me with a proposed written submission to the Special Master by Monday afternoon.

Finally, as you are aware, the United States has been ordered to produce the Non-Prosecution Agreement. In accordance with that Order, we will produce the September Agreement with the October Addendum signed by your client. We understand that Mr. Goldberg may not have provided the state court with a true copy of the complete Agreement, and he should take steps to correct that error.

From: Villafana, Ann Marie C. (USAFLS)
Sent: Friday, August 15, 2008 11:42 AM
To: Acosta, Alex (USAFLS); Sloman, Jeff (USAFLS); Senior, Robert (USAFLS); Lee, Dexter (USAFLS); Atkinson, Karen (USAFLS)
Subject: New proposed response to Jay

Dear Jay:

Thank you for your response. Our communications with Roy Black and later with you were solely to determine what Mr. Epstein considered to be the terms of the Non-Prosecution Agreement. You have now made clear that Mr. Epstein did not accept the December modification and does not intend to perform the obligations set forth therein. The Office is not going to continue negotiating the terms of the Agreement. We only sought finality and you have answered our question. Accordingly, the December proposed modification is hereby withdrawn.

The United States has been ordered to produce the Non-Prosecution Agreement and, in accordance with that Order, will produce the September Agreement with the October Addendum signed by your client. Mr. Goldberger should be advised that we understand he has not provided the state court with a true copy of the complete Agreement, and he should take steps to correct that error. I will prepare an Amended Notification that contains the name of additional identified victims and will provide that to you promptly.

In accordance with Paragraph 7B of the Agreement, please provide me with a proposed written submission to the Special Master by Monday afternoon. We will expect a showing of good faith in the selection of the

attorney representative and all other terms of the Agreement and excessive delays, like those that have occurred in the past, will be considered a breach of that duty of good faith.

Sincerely,

A. Marie Villafaña
Assistant U.S. Attorney
500 S. Australian Ave, Suite 400
West Palm Beach, FL 33401
Phone 561 209-1047
Fax 561 820-8777