

From: "[REDACTED]. (USAFLS)" [REDACTED]
[REDACTED]

Subject: RE: Question re Epstein

Date: Wed, 03 Dec 2008 20:30:33 +0000

Importance: Normal

Got it. I think it just shows that JE paid him \$2.5 million for his services on this case. The Krajisnik thing appears completely unrelated, and it looks like Krajisnik tried to retain Dersh for \$50,000 but the transfer didn't go through.

[REDACTED]
Assistant U.S. Attorney
500 S. Australian Ave, Suite 400
West Palm Beach, FL 33401
[REDACTED]
[REDACTED]

From: [REDACTED]. (FBI)
Sent: Wednesday, December 03, 2008 3:21 PM
To: [REDACTED]. (USAFLS)
Subject: Re: Question re Epstein

Fax is being sent now to [REDACTED]. Pls respond that u rcvd.

From: [REDACTED]. (USAFLS)
To: [REDACTED] (USAFLS)
Cc: [REDACTED] (USAFLS); [REDACTED].
Sent: Wed Dec 03 13:26:43 2008
Subject: Question re Epstein

Hi [REDACTED]:

I wanted to give you something to think about before our 2:00 conference call.

[REDACTED] and I have been doing some digging into the Epstein situation and have found out some really disturbing info. It appears that, since Day 1, [REDACTED] and [REDACTED] have been scheming to get Epstein out on work release. For example, the indictment incorrectly charges Epstein for an offense that would have made him ineligible for work release if it had been charged correctly. (Remember that [REDACTED] also went along with letting us believe that Epstein was pleading to a registrable offense when Epstein's folks and [REDACTED] believed that he the offense was not registrable.) [REDACTED] and [REDACTED] also told us that Epstein would be housed at the Palm Bch Cty Jail, not the Stockade, but he would not have been eligible for work release if at the jail. Judge McSorley has a standing order that allows PBSO to grant work release to any defendant she has sentenced who is housed at the Stockade. Judge Pucillo (the actual sentencing judge) does not have that order. So [REDACTED] prepared the "nunc pro tunc" order, including the language that we had specifically rejected, to Judge McSorley for her signature. Obviously the State Attorney's Office had notice of the order but no one ever told us and they had a copy of the Non-Prosecution Agreement which contains clear language that the Nunc Pro Tunc would violate the Agreement.

As part of his work release, Epstein has hired off-duty Sheriff's deputies to provide him with "protection." It appears that he is paying between \$3000 and \$4100 per week for this service, despite the work release rules barring anyone from the Sheriff's Office (and the Sheriff's Office itself) from having "any business transactions

with inmates or their families while they are in the custody or supervision of the Sheriff and for at least one (1) calendar year after termination of their sentence.” Epstein’s work release application materials state that he is being paid \$250,000 per year. While in the stockade, his salary is paid into the PBSO’s trust fund where it can be used to pay Epstein’s room and board and travel expenses or other legal obligations. If Epstein “escapes,” PBSO can forfeit all wages in the trust fund.

██████████ and I are of the opinion that we should not budge on the 24-hour-a-day incarceration. If they balk, we should point out to them all of the things that we have let go in our efforts to make this agreement work. For example, not pointing out the misstatements made by ██████████ and Epstein at sentencing; the presentation of incorrect guideline computations to Judge Pucillo at sentencing; the placement at the stockade instead of at the jail; etc. We can even swallow the nunc pro tunc so long as he stays in jail.

I think that someone should raise ██████████ continued misrepresentations to us and to others. Even in this instance, he has continued using threats, manipulation, and misstatements to get what Epstein wants. He told PBSO that we knew about the work release (so PBSO didn’t need to contact us and ask for our position) and that we had no objection to it. When PBSO objected to putting Epstein on work release, ██████████ threatened to sue if they didn’t go along with it. We also should point out that all of Epstein’s lawyers are well aware that our Office has been sued by two victims for failing to keep them informed about the investigation. We have an obligation to inform all of the victims upon Epstein’s release. This obviously puts us in a very bad situation. When we met with ██████████ at PBSO, I specifically asked him to keep me informed when/if Epstein was being released so I could inform all 31 victims. ██████████ kept that from happening. Up until now, we have been willing to lay the blame at ██████████ feet rather than impute it to Epstein. But I think the time has come to raise it with ██████████ and let him know that we will no longer take that approach.

I anticipate that they will ask for some sort of compromise, pointing out that Epstein would have been eligible for placement in a halfway house if he had been sentenced federally. Of course, as ██████████ points out, he never would have received an 18-month sentence if he had been sentenced federally, so this is a moot point. Nevertheless, in the interests of complete preparation, I contacted someone at BOP to ask about how work release would be applied in this situation. I learned that, in light of his short sentence, Epstein would have been eligible for placement in a half-way house, which includes the opportunity to work outside the facility, six months prior to his projected release date. If Epstein were doing federal time, his projected release date would be early October, 2009. According to the documents in Epstein’s work release file (which ██████████ got from PBSO), his projected release date is September 24, 2009. March 24, 2009 is six months prior to that. In the federal system, Epstein would never be allowed to engage in the type of work that he currently is doing and he would not be allowed to work more than 40 hours per week. For example, Epstein lists himself as “president” of the Florida Science Foundation and lists his supervisor as the “Vice President,” Darren Indyke. (Indyke was a subject of our investigation and refused to comply with a grand jury subpoena, by the way.) Indyke is located in New York and does not work here in Florida. So PBSO is letting Epstein work completely unsupervised. The feds would never allow that.

The documents submitted to PBSO in support of the work release are also rife with misstatements. For example, it lists R ██████████ as one of the directors. ██████████ is a partner at Sullivan & Cromwell in New York, but the listed phone number is ██████████ ██████████ firm. It says that Epstein earned \$250,000 last year for his work for the Florida Science Foundation. (The Florida Science Foundation is really the “C.O.U.Q. Foundation, Inc., d/b/a the Florida Science Foundation.”) IRS documents filed by COUQ show that Epstein was earning “\$0 per year” for his work for the foundation, which was only 1 hour per year.

Anticipating that you might be willing to consider a compromise, I have attached a proposed Second Addendum to the Non-Prosecution Agreement. I also have attached the letter allegedly sent by ██████████ that shows ██████████ acceptance of the work release program. As I suspected, it was a draft victim notification letter that they objected to and was never sent out. The language comes directly from Fl. State. 944.605.

And my e-mail to ██████████ made clear that we could not decide for him regarding an application for work release, that it remained within his discretion.

<<071206 Final Sloman Ltr to Lefkowitz.pdf>> <<081102 2d Addendum to NonPros Agrmt.wpd>>



Assistant U.S. Attorney

500 S. Australian Ave, Suite 400

West Palm Beach, FL 33401

