

1. Jeffrey Epstein and Financial Trust Company, Inc. invested hundreds of millions of dollars with Highbridge as an investment manager with its many sub-advisors from 2001 to the present.

2. Daniel B. Zwirn had been one of those sub-advisors beginning in 2002 and, according to the Securities and Exchange Commission, remained a sub-advisor through at least 2007.

3. Mr. Epstein has had virtually no contact with Mr. Zwirn, except for a five minute face-to-face introduction and various telephone calls trying to resolve disputes.

4. Glenn Dubin negotiated and solicited each of Mr. Epstein's investments with the Zwirn fund, as well as the commissions and the other terms in respect thereof. For example, at Mr. Zwirn's request, Mr. Dubin requested that Mr. Epstein pay a 2% management fee to the Zwirn fund, rather than Mr. Epstein's offer of 1.3%. In addition, Mr. Dubin solicited Mr. Epstein, through Financial Trust Company, Inc., to invest an additional \$20 Million with the Zwirn fund in January 2005 and negotiated a side letter with Mr. Epstein limiting Mr. Epstein's lock-up period to two years, as opposed to the three-year lock-up period the Zwirn fund was imposing on other investors. [JE, REMEMBER THERE WAS ALSO A ONE-YEAR PLUS LIQUIDITY OPTION --- SO WE CAN'T SAY "EVERYONE ELSE". ALSO, I BELIEVE THIS WOULD BE THE FIRST TIME THAT WE EVER CLAIMED THAT YOU NEGOTIATED THE SIDE LETTER WITH GLENN. ASSUMING THAT THIS OUTLINE IS DISCOVERABLE...].

5. At the same time, and without notifying Mr. Epstein, Highbridge had begun to withdraw its managed account with Mr. Zwirn at the direction of J.P. Morgan. Mr. Zwirn was liquidating the managed account and provided the motivation for fraudulently inducing Mr. Epstein to stay in the Zwirn fund, so that the Highbridge managed account would continue to be liquidated without impediment threatened by Mr. Epstein's demands for the withdrawal of his investment. In this regard, it is important to note that Mr. Epstein specifically asked Mr. Dubin whether Highbridge was maintaining its money under management with Mr. Zwirn, and Mr. Dubin specifically told Mr. Epstein that Highbridge was doing so. Later, Mr. Zwirn and his company actually entered into an agreement to buy out for \$30 Million Mr. Dubin's interest (i.e., the interest of Dubin & Swieca Asset Management) in Mr. Zwirn's company that was managing the Highbridge managed account and used management and incentive fees paid by Highbridge in respect of its managed account to pay for Mr. Dubin's buy-out. See Lee Deposition, pages 80-86. [JE, ACCORDING TO LEE'S DEPO AND WHAT WINDELLS HAD TOLD US ORIGINALLY, GLENN ONLY GOT BACK \$12.5 MILLION OF THE \$30 MILLION AGREED TO IN THE BUY-OUT AGREEMENT --- ZWIRN NEVER MADE THE LAST PAYMENT OF \$17.5 MILLION - SEE PAGE 83 OF DEPO TRANSCRIPT. THEN ON PAGE 83 IT GOES ON TO SAY HOW THERE WAS AN AGREEMENT BY DSAM TO RELINQUISH ITS REMAINING INTEREST IN ZWIRN EVEN THOUGH \$17.5 MILLION

WAS NOT PAID AND THAT THE TIMING OF THIS WAS "COINCIDENTAL" IN THAT IT OCCURRED IN MAY 2009 AT THE SAME TIME THAT FORTRESS TAKEOVER OCCURRED AND THAT THE FORTRESS TAKEOVER COULD NOT HAVE OCCURRED WITH OUT DSAM RELINQUISHING ITS INTEREST. IN MY ORIGINAL EMAIL TO YOU I NOTED PAGES 80-86 BECAUSE IN ADDITION TO THE BUY OUT AGREEMENT, THERE IS REFERENCE IN PAGES 83 TO 86 OF THE COINCIDENTAL FORTRESS TIMING, TO USE OF FEES TO PAY THE DUBIN BUY-OUT, TO AN APRIL 11, 2007 LETTER ACCUSING ZWIRN ABOUT PROMISING TO TRANSFER GAGFAH SHARES AND THEN RENEGING ON THAT PROMISE - WHICH LEE CLAIMS WAS A BOLDFACE LIE --- AND ALSO REFERENCE TO HOW MUCH MONEY WAS IN THE MANAGED ACCOUNT (\$700+ MM) AND THAT SOME MONEY (\$140+ MM) WAS PAID OUT AFTER YEAR END 2006 TO HIGHBRIDGE. SO THE QUESTION IS HOW MUCH OF PAGES 80-86 DO YOU WANT TO INCLUDE?]

6. According to sworn deposition testimony given by David Lee, Mr. Dubin continued to advise on investments, though the events of mismanagement (e.g., withdrawing funds for management fees that were not actually due and to pay for Mr. Zwirn's personal airplane) began in early 2005, the same time that Highbridge began withdrawing its funds from the managed account.

7. There is no question that Mr. Epstein moved to redeem his entire interest in the Zwirn fund in September 2006 and would have pursued that complete redemption but for (a) Mr. Dubin's insistence that it would cause a run on the bank, and (b) Mr. Dubin's request that Mr. Epstein's redemption demand be reduced to one for \$80 Million. Documents now show clearly that Mr. Dubin was notified promptly by Mr. Zwirn and knew at least as early as September 2006 regarding the mismanagement that had occurred at Mr. Zwirn's company. Mr. Dubin never notified Mr. Epstein, but continued to liquidate the Highbridge managed account. In a meeting with Jim Windells and Steve Susman, Mr. Dubin was adamant to Mr. Susman that had Mr. Dubin known about the "plane problem," he would have told Mr. Epstein to withdraw his entire investment. When Mr. Dubin made that statement to Mr. Susman, Mr. Dubin thought that the first meeting at which he was present and at which the "plane problem" was discussed took place in 2007, but the documents clearly establish that the meeting took place in September 2006, during the very same period that Mr. Epstein made his redemption demand. Mr. Windells is aware that Mr. Dubin made that statement to Mr. Susman.

8. Although Dubin & Swieca Asset Management was a partner in Zwirn's management entities, we do not know whether Henry Swieca was involved at all.

9. According to Mr. Zwirn, Mr. Dubin was notified that Mr. Epstein's redemption was not consistent with Mr. Zwirn's understanding (see Mr. Zwirn's email to Mr. Dubin on November 14, 2006), the day after Mr. Epstein's \$80 Million redemption demand). However, Mr. Dubin was Mr. Epstein's sole contact for Highbridge's sub-advisor, Dan Zwirn. As such, Mr. Dubin affirmed Mr. Epstein's demand to withdraw his entire investment in early October 2006, and Mr. Dubin has

also affirmed that it was he and Mr. Zwirn that convinced Mr. Epstein to reduce his redemption demand from the full \$140 Million to \$80 Million.