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ATTORNEY CLIENT AND
WORK PRODUCT COMMUNICATION**MEMORANDUM**

TO: Brad S. Karp, Esq.
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Paul, Weiss, Rifkind, Wharton & Garrison LLP

FROM: Nardello & Co. LLC

RE: Draft Transcript of Meeting with [REDACTED]

DATE: August 14, 2015

The following is a draft transcript of a recording of a conversation between John Doe (JD) and [REDACTED] ([REDACTED]) which took place on August 14, 2015 at Le Bernardin, 155 W. 51st Street, New York, New York between approximately 12:30 pm and 1:45 pm. The recording was made with the consent of JD. Notations of "UI" represent speech that was unintelligible during our initial review.

The first section below is a summary of conversation between the two individuals which did not appear to be immediately material, but provides additional background. The second section is a verbatim transcript of the material portion of the conversation.

The summary and transcription are subject to revision.

Summary

Time Stamp	Speakers	Conversation
0 to 22:43	Various	Preamble and JD travelling to the restaurant.
22:43	Various	JD enters the restaurant.
22:50	JD, [REDACTED]	The meeting begins.
22:50-24:35	JD, [REDACTED]	Small talk about [REDACTED] hotel, her outfit and the restaurant.
24:35-25:05	JD, [REDACTED]	[REDACTED] says that someone once proposed to marry her once at this restaurant. [REDACTED] says that she turned down the proposal, noting that the proposer was from a wealthy family. [REDACTED] says, "I chose you," referring to JD.
25:05-29:40	JD, [REDACTED]	JD and [REDACTED] engage in small talk about restaurants. They order food and [REDACTED] asks whether JD feels better.
29:40-30:05	JD, [REDACTED]	[REDACTED] says that was she "hoping" to back to Moscow tomorrow but was invited to go to the Hamptons.

Time Stamp	Speakers	Conversation
30:05 -32:25	JD, ██████	█████ says that she went to opera last night. JD and ██████ discuss opera. They order wine and lunch, and talk about sushi.
32:25 – 32:58	JD, ██████	█████ states that JD collects Chinese art and has a good collection. They talk about the Chinese art market. ██████ asks if JD bought any art recently.
32:58 – 36:35	JD, ██████	More art talk, state of the art market and talk of valuation of biotech companies. ██████ asks “You don’t invest in technology?” They talk about the tech market
36:35- 37:00	JD, ██████	JD asks “You’re not on Facebook?” “No,” she responds. “Nor am I,” he states. ██████ claims that she does not understand the point of social media, “it’s the place to show all your weaknesses.”
37:00 – 39:00	JD, ██████	█████ asks if JD is going to the Hamptons. JD says “yes,” and discusses his sister’s health problems. JD is taking his sister and her husband to the Hamptons so they can spend time together. Further discussion of the illness of JD’s sister and wife.
39:00 – 41:30	JD, ██████	█████ discusses how she has started to work out again and JD says that he is working out too. ██████ has lost a lot of weight. JD notes. ██████ claims that its stress. ██████ says she is trying to eat better. ██████ suggests getting a vegan cook. ██████ asks if he drinks everyday. They discuss how ██████ is not a big drinker.
41:30 – 46:00	JD, ██████	█████ asks him what he thinks about London and the British economy. Further discussion of the US and UK economies. Lunch begins. JD and ██████ talk of the Russian economy, investing in China, etc.
46:00 – 47:10	JD, ██████	Another course is served and little conversation occurs as JD and ██████ eat.
47:10 – 48:00	JD, ██████	JD asks how much time ██████ can spend in the UK. ██████ states that she is not sure and that she has to start doing something about it. She states that she does not have a place in Moscow and says that she stays in hotels.
48:00 – 50:25	JD, ██████	█████ mentions Nicholas Berggruen. JD knows him, says that he saw Berggruen recently and that he is an interesting character who has put together a think tank in California. They talk about how Berggruen collects art.
50:25 – 51:18	JD, ██████	█████ and JD eat lunch.

Transcription

Time Stamp	Speaker	Conversation
51:27	JD	Let me give you some thoughts.
	█	Mmhm.
	JD	I've tried to listen very carefully...
	█	Mmhm.
	JD	...to a lot of what you've said in our previous meetings this summer. You've told me that you've suffered a lot. And as someone I care about, and as someone that I've always respected, um, I'm sorry you've suffered. I don't believe I've had much to do with your suffering. I've never bad-mouthed you to anybody. I've never in fact talked about you to anybody. Um, I've always tried to treat you with respect and, frankly, felt real affection for you, um, in the times we've spent together. Um, I think you're somebody with a first-grade brain, you're beautiful, you're interesting. Um, so I think, I'm not sorry we've spent time together, um, on and off. Um, but, um, I would never do anything, um, to hurt you or your son. In fact, I really tried to bend over backwards, um, to be kind and generous to you. And, you know, frankly...
		Long pause.
53:56	JD	So when you came here in June and started, you know, with a script of how I've ruined your life and kept you from jobs and defamed you and went to my friends in a cabal, I'd have to say it was pretty shocking to me. I've never viewed you before this as, um, as somebody that would come to me, um, kind of 180 degrees different than, um, the basis of...
		Long pause.
55:17	JD	Of the time we did spend together, you know and then, clearly, when you came out and said that you planned to go public and ruin my life and my family and my business unless I paid you 100 million dollars, um, it kind of said to me that you've changed, a lot. I don't know who you've fallen, what group you've fallen into in Moscow and London, um, but it's, it's something that, that is, um, foreign to me in terms of the way I always viewed you. Um, and I'm also sorry for that. Um, cause as I said you're somebody that I've had real affection for and had real respect for. But, um, I can't say I respect what it's at now, um, extortion. But it is what it is, and we are here. Um, the way I kind of view it, this can go in three different directions. Um, either we can come to a mutually satisfactory, um, economic solution, um, number one. Uh, number two, um, you can file a suit and you go public. Um, or number three, um, you know there can be, um, you know, possible other consequences of that. So let me kind of outline the way I see all three.
57:40	█	Mmhm.

Time Stamp	Speaker	Conversation
	JD	Um, and then, and then you know, you'll just have to choose what you want to do, um, and the chips will fall where they fall, um. I want you to be comfortable, um, and I want you and your son to have a comfortable, uh, existence. Um, so, you know, I also think it's important that you feel that...Just wait one minute [speaking to waiter].
		Waiter brings food, speaking to waiter.
58:59	JD	That you feel that I'm serious and that I have listened to you and that, um, and that I care about you, even though I view it as extortion. Um, so you know in the past, I kept looking at numbers which sort of compared favorably to what I had done for you when we were together and...
	JD	Speaking to waiter.
59:42	JD	And therefore felt when I was talking about, you know, 600 over three years, five years, would that compare to 350 when we were together. Now we're not together and that seemed like pretty reasonable. You've made it clear to me that, um, that is not what you have in mind.
	JD	Um. And I really want to put this behind us. I have other things I have to deal with right now, like my sister, and my wife, and a lot of illness and a lot of other things, and frankly I don't want to deal with you or with this. Um. So it is worth it to me to try to put this behind me, um, with you in a way, um you know that we can both hold our heads up. Um.
1:00:47	JD	What I would be willing to do is provide for you for the next 12 years at a million dollars a year and also to give to you in an account two million pounds, um, which would be used exclusively to buy -- to invest in British securities, so that for a period of time, like three or four years, so that you can get at least the five year [IU]visa in the UK
	█	Mmhm.
	JF	That is a 15 million dollar package, um, versus two million dollars basically that [UI] I gave you and the million I lent to you when we were together. Um, so that...
01:02:06	█	Can I?
	JD	Please.
	JD	So that you have -- you can live very, very well with your son, whether it's in Moscow or London or wherever.
	█	Mmhm.

Time Stamp	Speaker	Conversation
	JD	It's a million dollars, and -- which is tax free -- and I'll have to pay a gift tax on 50%, and that'll take Sasha through his college years, um, pay for his education, and keep you comfortable and secure for a long period of time. That's pathway number one.
	█	Mmhm.
01:02:56	JD	Pathway number two is you file a suit, go to the press...
	█	Mmhm.
	JD	...that we had an affair on and off for five years. My guess is it gets thrown out. Maybe not. Probably. Um .Causes me some embarrassment.
01:03:21	█	Mmhm.
		My wife will be pissed off, she'll end up forgiving me. Um. My business, it's a 10 billion dollar business, it's gonna survive. Um. Life will go on. You know. I've gone through the suicide of my father...
	█	Mmhm.
	JD	...I've gone through the bankruptcies of Drexel. . .
	█	Mmhm,
	JD	I've gone through the US government suing me for six billion dollars post-Drexel, personally...
	█	Mmhm.
		Um. And -- and I'll get through this....
01:03:58	█	Okay.
	JD	Um. And you'll end up getting nothing.
	█	Mmhm.
01:04:04	█	There's a possibility, yes.
	JD	So, there's, one, there's a possibility, a good possibility you'll end up with nothing. You know, you brought up a few times in our last conversation, you know, this Benjamin Wei case...
	█	Mmhm.
	JD	Um. The Wall Streeter, paid 18 million dollars for this woman to go to bed with him four times. You know -- there are three things that you should be aware of about that case...
	█	Mmhm.

Time Stamp	Speaker	Conversation
01:04:35	JD	Number one, he was her employer, so it's employment contract abuse.
	█	Mmhm.
	JD	Um. Number two, he wrote a blog publicly defaming her.
	█	Mmhm.
01:04:50	JD	And number three, any lawyer – she hasn't received anything yet – it's on appeal, and any lawyer will tell you, because it was a two million award and 16 million in damages, that the courts will reduce the damages to probably two or three million. So, if she gets anything it'll be five million dollars. And, um, versus the 15 million package that I [UI]
01:05:25	JD	And the last thing you should know – and it's – I want to underscore this – it's not a threat – um, but, you know, if you do take this frivolous case public...
	█	Mmhm.
	JD	...it will give me no choice but to, you know, go to the authorities and pursue a criminal case...
01:05:56	█	Mmhm .
	JD	...against you. Um. And you'll likely end up in jail. Um. Now, I want to reiterate, I don't like pathway number two or three. I don't think it's good for you, I don't think it's good for me. And so I hope and I pray, um, that pathway number one is the door, um, that will make the most sense for you, um, because I'm really trying very hard here. And I also just, you know, I want you to, you know, I did go...
	█	Mmhm.
	JD	...to my lawyer to talk about...
	█	Mmhm
	JD	what has been said. Um. And this is just -- this is from -- he was the ex-head of the criminal division of the US Attorney...
01:06:50	█	Mmhm.
	JD	Um. Who wrote to the files so there's no intention of using it. Um. But basically just saying based on our conversations before you have committed a crime both under federal statutes and under New York statutory law. Um.
	█	Okay.
	JD	Um. And it's a crime that you go to jail for. I don't want that to happen. Um.

Time Stamp	Speaker	Conversation
		But – but – actions have consequences...
	■	Mmhm.
1:07:33	JD	...And I'm trying very hard to give you something super generous to provide for you and to provide.
1:07:34	JD	I mean, when I've talked to people, lawyers, they say they've never heard of numbers like this. They don't know of any case that's been resolved here for anything more than single digits.
	■	Mmhm.
	JD	Um, so again, I don't know where the 100 million in your head comes from.
1:07:57	■	I've been with you for a very long time.
	JD	We had an affair on and off for five years, that's not a marriage. You knew I was married.
	■	For me it was like a marriage.
	JD	Mmhm.
	■	I feel like it was like a marriage to me. It was my, my life.
	JD	And you broke it off a number of times.
1:08:17	■	Um, I, I feel uncomfortable talking to you right now, because of this. I don't want to get more in trouble. Uh, I will not agree to anything less than \$100 million and I think you owe it to me because I've been with you for a very long time and, um...
	JD	But where does that 100 million come from? Where does a number like that come from?
1:08:41	■	Because I think I'm entitled to half of what you earned for the time that we were together.
	JD	We weren't married, we didn't live together.
	■	Well it's like a marriage.
	JD	How is it like a marriage if we didn't live together?
	■	For me it was like a marriage. Because I didn't see any other people, I didn't work, you supported me. Uh, we had relationships. To me, it's like a marriage.

Time Stamp	Speaker	Conversation
	JD	Mmhm.
1:09:05	■	And in the marriage I would get half of what you earned. That would be a couple of billions. And I'm not asking you for that, even though I think I totally deserve it. I gave you seven years of my life. You were a very difficult person, you were abusive, and it was really, it was very difficult for me to be with you but I was there for you. And now after all of that, my reputation is ruined. My reputation is not 12 million to me. My reputation costs me more, and my future and my son's future.
1:09:39	JD	15 million.
	■	Uff, 15.
	JD	Mm...But I never talked about our relationship. You did.
1:09:52	■	To whom?
	JD	Alisa.
	■	What did she tell you? I don't know. Why do you keep bringing her up? I never told her anything. What did she tell you? You know she's a pathological liar. Why do you even talk to her? You don't know that?
	JD	I haven't talked to her in a long time, but I remember she always used to ask me, "How are things with Guzel?"
	■	What did she tell you? Why are you so worried about it? I don't know what she told you.
1:10:13	JD	She didn't tell me...
	■	She's a pathological liar, you should ask other people. So whatever she says, it doesn't make any sense.
	JD	And you think, for having an on-and-off affair with me...
	■	Mmhm.
	JD	For five years, that that's akin to a marriage?
1:10:32	■	Yes.
1:10:34	JD	And therefore you would make a case that unless I pay you a hundred million dollars, that this is what you're gonna file suit and go public with?

Time Stamp	Speaker	Conversation
	■	Er, no. My reputation is damaged...
	JD	Alright.
	■	And I want to clear up my reputation. But I'm willing to meet you half way considering your status and your family. Um. If you will tell me with this, you know, hundred, that you respect me and you understand that I went through a lot of hardship because of our relationship, and I've been with you, and it's been like a marriage to me, and that you respect me and my family and my future. Then that.
01:11:22	JD	Well I want you to think very hard before you walk away from a million a year for 12 years and getting a UK visa that—
	■	I'm telling you – I'm telling—
	JD	--the other roads...
	■	Mmhm.
	JD	...will land you with probably nothing.
	■	That's fine -- that's fine with me.
	JD	And – and will probably land you in jail.
01:11:43	■	That's fine.
	JD	Okay. I mean—
	■	I – I thought about it very well. I will not agree with you.
01:11:51	JD	Mmhm. Okay. It's not a very rational decision but -- you – it's certainly your choice.
		[Long pause.]
01:12:46	JD	Guzel, you wanted an apartment near your child's school...
	■	Mmhm.
	JD	...You got an apartment near your child's school.
	■	Mmhm.
	JD	You asked me to respect you and not to please come visit it...

Time Stamp	Speaker	Conversation
	■	Mmhm.
	JD	...I respected you and didn't come visit it.
01:13:01	■	We can do this forever -- like, what you've done, and what I've done -- you don't know—
	JD	So I don't understand how you were abused.
	■	You don't know what happened.
	JD	We went on holidays when you wanted...
	■	...I wanted to go to your apartment too. All the time. You never invited me to your apartment!
	JD	Because I was married...
	■	Well, and I had a child.
	JD	...And you knew I was married, and you knew I had a family—
	■	--and you -- and you—
	JD	--I was totally up front about that.
01:13:26	■	--and you knew that you were married, why did you sleep with me? There are consequences to what you do to woman and to their lives.
01:13:37	JD	We were two consenting adults that had an affair..
	■	And it just lasted a little bit too long and you got a little bit too involved.
		[Long pause.]
1:14:05	■	My reputation is important to me and my life is important to me and the seven years I gave you are important to me. They're worth something. They might be not worth anything to you but they're worth something to me.
	JD	And that's where the \$100 million comes from. Because we had an on and off five year affair...
	■	Seven.
	JD	No, it wasn't seven.
	■	Maybe now it's eight. I stood by you for seven years. I stood by you, I let you

Time Stamp	Speaker	Conversation
		do whatever you wanted. You did whatever you wanted to do...
	JD	Stop...What did I want to do? We saw each other, like, once a month.
	█	You would promise me to get a job, you never got me a job and (UI).
	JD	No, I didn't promise you, I promised that I would try, which I did try. Where did you interview? What did you do to try to get a job? You were in school for three of those years.
	█	I guess it is pointless (UI).
	JD	Guzel, number one, I don't have that type of money, ok? I have a lot of art loans.
	█	No, you don't have that much money, of course you don't...
	JD	I don't have that type of cash. But this is total extortion.
	█	No, it's not extortion: you have an obligation to me because we have been together for so long.
	JD	I mean, you're turning this into a palimony case. You know what palimony is?
	█	You know what, I'm not very smart with words...
	JD	You're really smart and I've always respected your mind. You're about as smart as I've ever seen.
1:16:20	█	I've been very clear about what I think is fair. You might disagree with me, you know, you're entitled to have your own opinion about things. I just...you can talk to my lawyers, I guess.
	JD	Well, maybe the best thing would be to have a mediator get involved.
	█	No, at first, I'm gonna go public, see what kind of lawyer I can get, then um, because I want a really good lawyer.
	JD	Well, as I said, you're moving backwards, you could end up with nothing, also a lawyer takes a third to a half.
1:17:00	█	I'm willing to take the risk. I feel very strongly that you have an obligation to me, that I was like a wife to you, I spent many years...
	JD	No, you weren't like a wife to me..stop it. This is insulting. This is offensive. You were not like a wife to me. You never were. Stop it. We had an affair, off and on and saw each other once a month when you wanted to get together.

Time Stamp	Speaker	Conversation
	■	Well, next time you think when you fuck someone. Ok? You can't fuck someone's life. You can't do that.
	JD	We were two consenting adults who had an affair together.
	■	Ok, as an adult, I have an obligation to protect my family. My life has been ruined.
	JD	For \$100 million?
1:17:50	■	My life has been ruined [emphasizes each word]. Absolutely. In every aspect of it.
	JD	Because my buddies Bloomberg and Mort Zuckerman and Len Blavatnik were all in a cabal to defame you?
	■	Everything (repeats).
	JD	Why would I do that?
	■	I feel my son uncomfortable sending him to another school. He doesn't want to go to another school interview. It's totally unacceptable and wrong to me.
	JD	And you think I caused that?
1:18:30	■	Maybe that wasn't exactly you, but it was because of our relationships. This relationship caused that.
	JD	Who knew about our relationship?
	■	I don't know. But, even if they didn't know we had a relationships, and you have a responsibility.
	JD	And my responsibility is for a \$100 million or else you sue me?
1:19:00	■	Yes, because I am dealing with a lot of difficulties because of you! Because you're such a high profile person who if they're not lazy (UI) they think they have to bring me down. Nobody would touch me if it was some Jewish woman.
	JD	Why does anyone want to bring you down? Why do you have it in your head that everybody out there is trying to bring you down? Why would I want to bring you down?
	■	Ok, right now, I'm like, very, I feel very numb and terrible about what happened with my life and you. I feel numb because of the way you talk to me

Time Stamp	Speaker	Conversation
		and are treating me.
	JD	I just told you I have real affection for you and respect you and have just given you a \$15 million in (UI).
	█	You just said "I saw you once a month."
1:20:00	JD	Well, I'm just telling you the truth. We saw each other on and off, you cut it off twice in five years.
	█	This is not what I believe in.
	JD	Whatever you asked for, I gave you. You asked for money, you got money; you asked for loans, you got loans; you asked to go on vacations, you went on vacations. How were you mistreated by me?
	█	Thank you so much you allowed me to go on vacation.
	JD	Well, I am trying very hard to provide for you and your son for a long period of time with a lot of money. And if you don't get that and understand that...[waiter appears to interrupt]. I mean who gets \$15 million?
1:21:20	█	I can't do this anymore. Let me go and talk to lawyers.
	JD	You have to do what you have to do. I'm happy to have your lawyers talk to my lawyers, I'm happy to have a mediator get involved...
	█	No...
	JD	I think I'm being very understanding and generous...
	█	Ok.
	JD	It's a hurtful path for me that you would take, it's going to be a disastrous path for you.
1:22:07.	█	I'm going to go. Goodbye [█ leaves].
* * *		