

Harry Beller

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From: Harry Beller  
Sent: Friday, February 13, 2009 11:54 AM  
To: [REDACTED]  
Subject: FW: Jeffrey Epstein

Sheryl

I have now waited 3 days for Mr. Lefcourt to call me as promised.

This will confirm our conversation in which I have requested the return of \$800,000 that was improperly billed to us over many months with more than a dozen inaccurate statements.

Please wire \$800,000 immediatley to:

JP Morgan Chase Bank  
New York, NY  
ABA#: 021000021  
For credit to account #: 739110438  
Account Name: Jeffrey Epstein

We have not reviewed your hourly billings and only reviewed expenses. With millions of dollars being spent it's disturbing to see over 167 entries of charges for expenses from a range of \$2 to \$20.

I believe that any moneys believed still owed to you, taking into consideration the multiplicity of errors we have found after our expense review, should be first verified and then discussed with Jeffrey. I see this as two separate issues.

Thank you for your prompt attention for this matter.

Harry

Dear Ms Reich.

I write this to response to your February 17, 2009 Memorandum to me. In my February 13, 2009 email, I indicated that I was promised that Mr Lefcourt would call me. That was now over a week ago. I am under strict instructions that this matter not be brought to Mr. Epstein until your firm and I have agreed on the amounts and the facts. Unfortunately, it still appears that after being shown numerous errors in your statements and invoices, you have yet to understand the accounting errors, inaccuracies, and the history of the billing issues.

First, let me assure you that I know Mr Epstein has the greatest affection for Mr. Lefcourt. He has never spoken about him or your firm in anything but glowing terms. That being said, however, on at least two separate occasions, Mr. Epstein, at my prompting, brought to Mr Lefcourt's attention the seemingly impossible rate at which bills were accumulating at your firm, and questioned the overly large amounts billed by your firm in comparison to every other firm that was billing Mr. Epstein.

Contrary to the assertions in your Memo regarding your firm's method of billing, Mr. Epstein never discouraged your firm from sending bills. Like every other firm, your firm was merely asked not send detailed annotations of the time billed, as the bills would not be privileged. As I said, we questioned the overly large amounts billed by your firm, and, on at least two separate occasions, Mr. Epstein asked Mr. Lefcourt to review your firm's bills for accuracy. Both of those times, Mr Lefcourt responded that he had checked and re-checked the bills carefully and that they were accurate. Mr. Lefcourt stated that "the whole firm was working on Mr. Epstein's matter, Mr. Epstein should expect the amounts billed to be that large.

I would note that, as the billings and Mr. Epstein's payments in question were in 2006 and early 2007, tax returns filed for those years must have reflected errors of serious proportions. In much larger firms with a multiple of your firm's annual billings an error of even \$50,000 would not have gone unnoticed, let alone one as large as three quarters of a million dollars. In a small firm such as yours, an error of that magnitude seems unexplainable, particularly in light of Mr. Epstein's requests to verify the accuracy of your firm's bills on more than one occasion. I would also note that as Mr. Epstein's attorneys, your firm had a duty to review your bills and confirm their accuracy before ever sending them to Mr. Epstein and, certainly, to carefully review them, upon Mr. Epstein's request based on his expressed concerns over possible overbilling.

Your claim that you discovered the billing error and voluntarily disclosed it to Mr. Indyke is simply not the case. I have confirmed with Mr. Indyke that in December 2008, Mr. Indyke telephoned Mr. Lefcourt to inquire about the details of approximately three quarters of a million dollars of entries in your invoices labeled "GBL". At that time, Mr. Lefcourt claimed not to have noticed those entries and had no explanation for what they are. Only after Mr. Indyke inquired about these entries