

From: Steven Sinofsky <[REDACTED]>
To: Jeffrey Epstein <[REDACTED]>
Subject: Re: Fwd:
Date: Wed, 13 Mar 2013 21:21:55 +0000

206.724.1070

On Mar 14, 2013, at 6:16 AM, "Jeffrey Epstein" <[REDACTED]> wrote:

he means the proposal that i forced him to make over his objections

----- Forwarded message -----

From: Lefkowitz, Jay P. <[REDACTED]>
Date: Wed, Mar 13, 2013 at 5:11 PM
Subject: Re:
To: Steven Sinofsky <[REDACTED]>
Cc: Jeffrey Epstein <[REDACTED]>

He likes the proposal I made. Some question about the mechanics since technically the grants expired when you ceased to be an employee, and they cannot resuscitate them under the terms of the company's stock program without shareholder approval. (They can extend an existing grant with Board approval, rather than shareholder approval, before an employee leaves, but once an employee leaves the grant is extinguished, which puts them in a different place.) There is a straightforward solution to this, and they are comfortable with paying you in cash the value of each of the relevant stock grant vests on the dates that they vest. Because the payment will be made in cash rather than stock, they can avoid the limitations in the stock plan, even though the amount of the cash payment will be determined by the value of the stock vest.

The only issue is that under Microsoft's retirement policy, an employee who has worked at the company for at least 15 years and who retires after age 55 will receive the vests of all grants that issued more than 12 months before the employee's separation date. So this would pick up all the grants through 2011 but not the grant in 2012.

I told him we need that to made up in cash.

Jay

On Mar 13, 2013, at 4:48 PM, "Steven Sinofsky" <[REDACTED]> wrote:

A quick note would be good.

On Mar 14, 2013, at 5:47 AM, "Lefkowitz, Jay P." <[REDACTED]> wrote:

I had a brief exchange with him and can fill you in later.

On Mar 13, 2013, at 4:45 PM, "Steven Sinofsky" <[REDACTED]> wrote:

Brad is at the executive retreat this week and board meeting mon/tue.

He can use that as an excuse or if they want to close then ballmer is right there.

On Mar 14, 2013, at 5:40 AM, "Jeffrey Epstein" <[REDACTED]> wrote:

if we don;t hear from brad today, i suggest you send him a message that it is in everyones interest that this get concluded, soon.

--

The information contained in this communication is confidential, may be attorney-client privileged, may constitute inside information, and is intended only for the use of the addressee. It is the property of Jeffrey Epstein

Unauthorized use, disclosure or copying of this communication or any part thereof is strictly prohibited and may be unlawful. If you have received this communication in error, please notify us immediately by return e-mail or by e-mail to [REDACTED], and destroy this communication and all copies thereof, including all attachments. copyright -all rights reserved

IRS Circular 230 Disclosure:

To ensure compliance with requirements imposed by the U.S. Internal Revenue Service, we inform you that any tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, by any taxpayer for the purpose of (1) avoiding tax-related penalties under the U.S. Internal Revenue Code or (2) promoting, marketing or recommending to another party any tax-related matters addressed herein.

The information contained in this communication is confidential, may be attorney-client privileged, may constitute inside information, and is intended only for the use of the addressee. It is the property of Kirkland & Ellis LLP or Kirkland & Ellis International LLP. Unauthorized use, disclosure or copying of this communication or any part thereof is strictly prohibited and may be unlawful. If you have received this communication in error, please notify us immediately by return e-mail or by e-mail to [REDACTED], and destroy this communication and all copies thereof, including all attachments.

IRS Circular 230 Disclosure:

To ensure compliance with requirements imposed by the U.S. Internal Revenue Service, we inform you that any tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, by any taxpayer for the purpose of (1) avoiding tax-related penalties under the U.S. Internal Revenue Code or (2) promoting, marketing or recommending to another party any tax-related matters addressed herein.

The information contained in this communication is confidential, may be attorney-client privileged, may constitute inside information, and is intended only for the use of the addressee. It is the property of Kirkland & Ellis LLP or Kirkland & Ellis International LLP. Unauthorized use, disclosure or copying of this communication or any part thereof is strictly prohibited and may be unlawful. If you have received

this communication in error, please notify us immediately by return e-mail or by e-mail to [REDACTED], and destroy this communication and all copies thereof, including all attachments.

--

The information contained in this communication is confidential, may be attorney-client privileged, may constitute inside information, and is intended only for the use of the addressee. It is the property of Jeffrey Epstein

Unauthorized use, disclosure or copying of this communication or any part thereof is strictly prohibited and may be unlawful. If you have received this communication in error, please notify us immediately by return e-mail or by e-mail to [REDACTED], and destroy this communication and all copies thereof, including all attachments. copyright -all rights reserved