

From: Steven Sinofsky <[REDACTED]>

To: Jeffrey Epstein <[REDACTED]>

Subject: RE:

Date: Wed, 13 Mar 2013 21:41:58 +0000

Importance: Normal

Samsung was crazy....a guy came in a shined my shoes while meeting with the cfo.

Met KWON (CEO, but not really since that is JY Lee), JK Lee, four other presidents, and then more exec vps and senior vps than I could count. All very good. They know their challenges.

Clearly they need/want me but really no one knows how to make anything real work. They have 11,000 software people in korea (and 10K more worldwide). That is 4X the Windows team--yet they don't actually build the phone software (google does). The level of inefficiency is mind-boggling.

They have a no-google plan they announced in spain this month working with intel. It has 100 people. JK gives mixed answers as to whether it is a hedge or real.

Lots of money. Hard for a Caucasian to do anything. Impossibly hard to do from US. The actual strategy is hard given their incumbent business. They need google and yet google only sort of needs them, for at least a few years.

I suggested whole spectrums of ways to work from consulting to full time roles. It just doesn't seem fun really. The Korea part is hard. the complexities of their existing business mean they really can't do anything other than work "against" google while working with them. In short order the Android world will look like the PC world--large number of low margin players. And bootstrapping a non-android system is what Microsoft and Blackberry are doing--a fourth doesn't stand a chance.

They will come back with ideas and money.

They have a big announce tomorrow. It will get a lot of coverage. Expectations are too high so it won't go well. The product is not good enough.

Will be talking to Andreessen next week I think.

Google really needs me now :-)

Sent from Surface RT

Check out [REDACTED]

From: Jeffrey Epstein

Sent: March 13, 2013 2:16 PM

To: Steven Sinofsky

Subject: Fwd:

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.

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