

From: Cecile de Jongh <[REDACTED]>
To: J E <jeevacation@gmail.com>
Cc: Richard Kahn <[REDACTED]>
Subject: Fwd: Proposal re AYH--use this one
Date: Thu, 30 Jan 2014 22:42:38 +0000

I just received this from Frank.

With warm regards,

Cecile

Sent from my iPhone and misspellings courtesy of iPhone.

Begin forwarded message:

From: "Garrison, Frank" <[REDACTED]>
Date: January 30, 2014 at 6:38:51 PM GMT-4
To: "[REDACTED] ([REDACTED])" <[REDACTED]>
Cc: "Garrison, Frank" <[REDACTED]>
Subject: RE: Proposal re AYH--use this one

Cecile,

[I corrected a typo in the version I sent a few minutes ago; just made item 2 , two separate items.](#)

We have revisited the facts and circumstances surrounding Jeffrey Epstein's investment in AYH and had several discussions . The following is intended to be in the nature of a settlement proposal and by agreement among the parties will be treated as such and not be admissible in any future proceeding.

- 1) Office rent at AYH would be reduced by \$6/foot from the currently stated amounts in the lease.
- 2) The management fee at AYH would be reduced by 33%, i.e., from 7.5% to 5% effective the first day of the calendar month following execution of a formal agreement.
- 3) IGY would make a cash payment of \$165,473 to Jeffrey Epstein within 10 business days of agreement (NB: This amount is the precise amount of a contemplated interest "adjustment" that has been previously discussed.)
- 4) Fuel for vessels currently owned by JE and affiliates would be allowed to purchase fuel at AYH at a 20% discount to published price. Charges for fuel purchases would be due by the end of the third business day following date of purchase.
- 5) The arrangement for the provision of 75 linear feet of dock space would remain in place unchanged
- 6) Jeffrey Epstein would receive a 10% slip rental discount on all other existing boats/slips. This discount is currently not memorialized anywhere and new slip agreement would be executed to memorialize.
- 7) The parties would execute mutual releases as part of a formal agreement

You will remember that in the past we have recommended mediation in an effort to move things along and even proposed a specific construct and some specific mediators. If Jeffrey is unwilling to accept the foregoing for whatever reason, we again request that you and he consider mediation in an effort to advance the process.

Thank you in advance for your consideration. The foregoing is not intended to be a binding offer but rather an outline of terms that we believe could be incorporated into an agreement or agreements which would become binding when

executed and delivered by all parties.

Frank

Frank M. Garrison
Island Capital Group LLC
One American Center
3100 West End Ave Suite 1230
Nashville, TN 37203


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