

MEMORANDUM

TO: Mr. Marc Poland, Vice President
[REDACTED]
Mr. Howard Germon, Regional Sales Manager
[REDACTED]
Mr. Chris Shurkus, S-76 Program Manager
[REDACTED]

cc: Mr. George Reenstra
[REDACTED]

From: Jeffrey Epstein

Re: S-76C++
76TD6167A

Date: January 4, 2010

I cannot convey to you strongly enough how displeased I am about Sikorsky's failure to meet its second extended completion deadline of December 7, 2009, a deadline which Sikorsky assured me was absolute.

As you know, the original deadline in our contract was July 2009. That deadline was extended until September 2009. At our meeting in NY early this past summer, Sikorsky acknowledged Sikorsky's responsibility for being unable to meet that extended September deadline and requested another extension, repeatedly assuring my representatives both at that meeting and in subsequent telephone calls leading up to the second extension that "there is no way that we are not going to make this deadline." We reluctantly agreed to your request to extend the deadline until December 7, 2009, based on Sikorsky's assurances that this was going to be the last extension. Well before that deadline, on October 13, 2009, I even notified Howard Germon, personally, of certain completion issues and requested his assistance to resolve them and to make sure that we met the December 7, 2009 completion deadline.

To my astonishment, that second extended December 7 deadline has come and gone. Although I was to receive a letter from Chris Shurkus over a month ago explaining the reasons for Sikorsky's failure to meet this deadline and specifying a new and final delivery date, which Chris initially promised Larry Viscoski would be no later than January 15, 2010, I have received no such letter. All that we received was a draft Amendment to Air Ghislaine, Inc.'s purchase agreement which provided for a January 25, 2010 presentation date and a January 29, 2010 delivery date.

As Larry informed Chris more than three weeks ago, the January 25, 2010 and January 29, 2010 presentation and delivery dates are totally unacceptable. Although Chris has informed Larry that Chris is "working on it," we have yet to receive a satisfactory resolution. As we also informed Chris, Air Ghislaine, Inc. expected to have N722JE in West Palm Beach by no later than January 20, 2010 because it plans to display the aircraft at La Bella Ferrari and Aircraft Show at Jet Aviation on January 21, 2010. The plan to display the aircraft at this show was made jointly with Sikorsky's marketing department. John Sarter informed Larry that Sikorsky Marketing desires to display Air Ghislaine, Inc.'s S-76 at this show and advised Larry that Sikorsky will pay the \$7,000 display fee for that purpose.

Under the circumstances, if Sikorsky fails to deliver N722JE in time for the La Bella Ferrari and Aircraft Show on January 21, 2010, it is only appropriate that additional compensation be provided. To that end, if delivery is not made in time for the show (i.e., by no later than January 20, 2010), Air Ghislaine will deduct \$50,000 from the outstanding completion balance due at delivery, and will deduct an additional \$50,000 for every two week period thereafter that delivery is not made. We understand the STC process and the lengthy delays that may arise for WiFi certification and would be willing to depart Keystone with the WiFi operational, but with circuit breaker pulled, while the FAA issues proper approved STC certification paper work, if necessary.

I am sure that I need not remind you that when, at the eleventh hour, Sikorsky sought our assistance because it needed to close on the green aircraft before the end of 2008, my people rearranged vacation schedules and made it happen to accommodate you. Why is it that I am unable to receive the same diligence from your organization. Please resolve this now. I have been more than patient.