

7. Background Information

- A.) Indicate whether applicant, or any of its stockholders or partners have, or have had, any proprietary interest in any other enterprise which is or has been a beneficiary under the V.I. Economic Development Program.

Yes No If "yes" explain below.

Name	Name of Business	Type of Business
Jeffrey E. Epstein	IGY-AYH St. Thomas Holdings, LLC	Category II Marina

- B.) Has any entity in which you, or your spouse, is/was a director, officer, partner or an owner of a 5% or greater interest ever had any license, permit or certificate issued by a governmental agency in any jurisdiction denied, suspended, revoked, or subject to any conditions?

Yes No If "yes" please explain.

Check if attached, **Appendix 44.** (N/A)

- C.) Have you ever been arrested or charged with any crime or offense in any jurisdiction?

Yes No If "yes" please explain.

Check if attached, **Appendix 45.** (X)

- D.) Have you ever been the subject of an investigation conducted by any governmental agency/organization, court, commission, committee, grand jury or investigatory body (local, state, county, provincial, federal, national, etc.) other than in response to a traffic summons?

Yes No . (If "yes" please provide the name and address of court or other agency, nature of proceeding or investigation date, whether testimony given and if so what date, and approximate time period of investigation.)

Check if attached, **Appendix 46.** (X)

- E.) In the past ten (10) years, have you as an individual, member of a partnership, or owner, director, or officer of a corporation, ever been a party to a lawsuit, as a defendant.

Yes No . (If "yes" please provide information regarding the date it was filed, name and address of the court, docket/case number, names of any other parties to suit, nature of suit, disposition and date of disposition.)

Check if attached, **Appendix 47.** (X)

- F.) Have any of the beneficial owners ever been adjudicated bankrupt or filed a petition for any type of bankruptcy, insolvency or liquidation under any bankruptcy or insolvency law in any jurisdiction? Yes No If "yes" please explain.

Check if attached, **Appendix 48.** (N/A)

APPENDIX 45
APPENDIX 46

7. Background Information

The information which follows is in response to Items 7(C) and 7(D) of the application, and is identified as Appendices 45 and 46:

Following a local investigation commenced in 2005 by the Palm Beach Police and Palm Beach County State Attorney, Jeffrey E. Epstein, the sole shareholder of the applicant, was arrested and charged with one count of solicitation of prostitution in 2006.

An investigation was conducted by the US Attorney's Office for the Southern District of Florida and the Federal Bureau of Investigation in 2007 relating to the same local matters investigated by the Palm Beach authorities. The federal investigation was discontinued in 2008 without the issuance of any charges.

On June 30, 2008, before the Florida Circuit Court for the 15th Judicial Circuit located in Palm Beach, Florida, Mr. Epstein plead guilty to the above-mentioned charge of one count of soliciting prostitution and a related offense. Nothing investigated or to which Mr. Epstein plead guilty had any relation to the business or industry of the applicant or to the ownership, management or operation of the applicant.

APPENDIX 47

The information which follows is in response to item 7(E) of the application and is identified as Appendix 47:

- An Action was commenced in New York Supreme Court by the liquidating trustee of a limited partnership to recover from a limited partner distributions made to the limited partner on the basis of audited financial statements, claiming that, although audited, the net asset value of the partnership was overvalued at the times the distributions were made over three years earlier. Mr. Epstein was the trustee of the limited partner. The case against Mr. Epstein as trustee was dismissed with prejudice this year on appeal.

- In 2004, Mr. Epstein settled a Pennsylvania state court case with an artist involving a dispute over the performance of a personal service contract.

- In 2006 Mr. Epstein settled a Florida Circuit Court case with an artwork consignor involving a dispute of ownership among the consignor, the dealer to whom the artwork was consigned and Mr. Epstein, to whom the artwork was sold and delivered.

- In 2005, Mr. Epstein and the applicant settled a dispute with Citibank brought in separate fora in New York and in the Virgin Islands involving two failed investments aggregating \$20 Million.

- In 2008, a number of civil tort actions were commenced in federal District Court for the Southern District of Florida or the Florida state court in Palm Beach County seeking to recover damages from Mr. Epstein personally for matters alleged to have occurred exclusively in Palm Beach, Florida. These cases remain pending. They have no relation to the business or industry of the applicant or to the ownership, management or operation of the applicant.