

PROMISSORY NOTE

October __, 2010

£800,000.00BPS

FOR VALUE RECEIVED, **GIUSEPPE CIPRIANI**, having a business address at 10 London Mews, London, W2, 1HY, United Kingdom ("**Maker**"), hereby promises to pay to the order of Jeffrey Epstein, having an address at _____ ("**Payee**"), the principal amount of Eight Hundred Thousand British Pounds Sterling (£800,000.00) ("**Principal Amount**"), together with all other amounts due and owing hereunder (including all accrued interest thereon) on or before October __, 2013 (the "**Maturity Date**").

1. **Definitions.** For purposes of this Note, the following capitalized terms have the following meaning:

"**Event of Default**" has the meaning ascribed thereto in Section 8(a).

"**Interest Rate**" has the meaning ascribed thereto in Section 2(a).

"**Maker**" has the meaning ascribed thereto in the Preamble to this Note.

"**Maturity Date**" has the meaning ascribed thereto in the Preamble to this Note.

"**Note**" means this Promissory Note, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"**Obligations**" means all obligations of Maker howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, or now or hereafter existing, or due or to become due, which arise out of or in connection with this Note, including, without limitation, interest (including interest accruing subsequent to the filing of, or which would have accrued but for the filing of, a petition for bankruptcy, reorganization or similar proceeding, whether or not allowed as a claim under such proceeding), fees and all reasonable costs incurred in connection with the enforcement of this Note (including amounts owing pursuant to Section 6).

"**Payee**" has the meaning ascribed thereto in the Preamble to this Note.

"**Principal Amount**" has the meaning ascribed thereto in the Preamble to this Note.

2. **Payment of Interest.**

(a) **Calculation.** Interest shall accrue on the outstanding Principal Amount of this Note at a rate equal to Ten (10%) percent, per annum (the "**Interest Rate**") (computed on the basis of actual days elapsed and a year of 360 days).

(b) **Payment.** Maker shall pay all outstanding amounts of the Principal Amount plus accrued interest on this Note on or before the Maturity Date.

(c) **Interest Limit.** Notwithstanding anything contained herein to the contrary, Payee does not intend to charge, and Maker shall not be required to pay, any interest or other fees or charges in excess of the maximum permitted by law.

3. **Payment of Principal.** All Obligations shall become due and payable on the Maturity Date.

4. **Optional Prepayments.** The principal amount of this Note, together with all accrued interest thereon calculated in accordance with Section 2(a), may be paid in whole or in part at any time prior to the Maturity Date without penalty.

5. **Events of Default.**

(a) **Definition.** For purposes of this Note, an “**Event of Default**” shall be deemed to have occurred if:

(1) all or any part of the Obligations is not paid when and as the same shall become due and payable, within fourteen (14) days following Payee’s notice to Maker that such payment is due; or

(2) Maker makes an assignment for the benefit of creditors or admits in writing his inability to pay its debts generally as they become due; or an order, judgment or decree is entered adjudicating Maker bankrupt or insolvent; or any order for relief with respect to Maker is entered under the Federal Bankruptcy Code; or Maker petitions or applies to any tribunal for the appointment of a custodian, trustee, receiver or liquidator of Maker, or of any substantial part of the assets of Maker, or commences any proceeding relating to Maker under any bankruptcy reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction; or any such petition or application is filed, or any such proceeding is commenced, against Maker and either (A) Maker by any act indicates his approval thereof, consent thereto or acquiescence therein or (B) such petition, application or proceeding is not dismissed within sixty (60) days.

6. **Expenses.** In furtherance of, and without limiting the effect of this Note:

(a) Maker will, upon demand, pay to Payee the amount of any and all costs, internal charges and out-of-pocket expenses (including reasonable attorneys’ fees), which Payee may incur in connection with

(1) the exercise or enforcement of any of the rights of Payee hereunder, and

(2) the failure by Maker to perform or observe any of the provisions hereof.

7. **Lost, Stolen, Destroyed or Mutilated Notes.** In case this Note shall be mutilated, lost, stolen or destroyed, Maker shall issue a new Note of like date, tenor and denomination and deliver the same in exchange and substitution for and upon surrender and cancellation of such mutilated Note.

8. **Amendments.** Any amendments or changes to this Note must be in writing and cannot be changed orally.

9. **Cancellation.** After all principal and accrued interest, and any other Obligations, at any time owed with respect to this Note has been indefeasibly paid in full, this Note shall promptly be surrendered to Maker for cancellation and shall not be reissued.

10. **Place of Payment.** Payments of principal and interest are to be paid to Payee in lawful money of the United States by wire transfer in accordance with the following instructions:

or to such other address or to the attention of such other person as specified by prior written notice to Maker.

11. **Notices.** All notices and other communications provided for under this Note shall be in writing (including by facsimile) and addressed, delivered or transmitted to:

Maker: Giuseppe Cipriani
at the address set forth above

With a copy to:
Christy L. Reuter, Esq.
Cipriani USA, Inc.
110 E. 42nd Street
New York, New York USA 10017

Facsimile: 

Payee: Jeffrey Epstein

With a copy to:
Darren Indyke, Esq.

12. **Successors and Assigns.** This Note shall inure to the benefit of and be binding upon the parties and their respective heirs, executors, successors and assigns.

13. **Governing Law.** This Note will be governed by and construed in accordance with the laws of the State of New York, United States of America.

14. **Miscellaneous.** Maker hereby agrees that this Note, or any payment hereunder, may be extended from time to time and that Payee may accept security for this Note or release security for this Note, all without in any way affecting the liability of Maker hereunder.

[THE REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK –
SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Maker has executed and delivered this Note on October ____,
2010.

GIUSEPPE CIPRIANI