



September 30, 2010

Jay P. Lefkowitz, Esq.
Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022

Re: Jeffrey Epstein

Dear Mr. Lefkowitz:

I am writing in response to your September 23, 2010 letter to *The Daily Beast* on behalf of your client Jeffrey Epstein concerning three articles published on the website in July 2010. The articles were published following Mr. Epstein's completion of his sentence for soliciting prostitution and soliciting a minor child for prostitution, and also reported his status as a registered sex offender. Your letter also cautions against additional coverage of Mr. Epstein.

Your letter identifies seven concerns Mr. Epstein has with statements in the three articles, the first of which is based on your assumption that the source identified in the articles as a former bookkeeper is a woman you name who was convicted of embezzlement from "the modeling agencies for which she was employed." The source was not identified by name in the articles, and therefore we will say nothing further about who it is. As a general matter, however, a criminal conviction does not preclude a source from providing accurate information. It is also not clear that your letter is actually disputing the accuracy of information that was attributed to the bookkeeper in the articles, in particular that girls working for MC2 flew on Mr. Epstein's private planes.

Your letter attacks the report that Mr. Epstein transferred money to Mr. Brunel and his settlement with seven plaintiffs represented by Mr. Edwards, but the basis of Mr. Epstein's dispute with both of these points is not clear. On Mr. Brunel, your letter states that Mr. Epstein "did not ... give Mr. Brunel \$1,000,000 to start his modeling agency." But it is not clear whether it is Mr. Epstein's position that he did send Mr. Brunel money at about that time, but not for that purpose, or that he sent a different amount than the very precise number in your letter, or that he sent no money ever to Mr. Brunel. If you would address the gist of the statement made in the article and explain what precisely Mr. Epstein claims happened, *The Daily Beast* can review this point. It is also not clear whether your criticism of the report of the litigation settlements is of the date of settlements, the amount of the settlements (your letter says the seven did not receive \$1 million, but the article reported that they received well over \$1 million) or the date settlements were paid. If you would explain what Mr. Epstein actually did pay and when, rather

than simply what he claims didn't happen, that would enable *The Daily Beast* to consider whether a correction is appropriate and, if it is, what it would say.

Your letter admits Ms. [REDACTED] stated that Mr. Epstein told her that his preference for the girls she brought him was, "the younger the better." Mr. Epstein would prefer that *The Daily Beast* include at least one other portion of the transcript of this particular conversation, but, given Mr. Epstein's conduct with girls who were under the age of consent, it was a reasonable editorial judgment to use this excerpt as part of the explanation for what happened in his home.

Your letter denies that Mr. Epstein ever even considered a plea agreement that would have included a 10-year sentence, but does not deny the existence of the draft agreement itself. The information that Mr. Epstein "committed" to such a sentence is attributed to Mr. Edwards, who is identified as a lawyer representing plaintiffs who had sued and settled with Mr. Epstein. Readers were thus told that Mr. Edwards is not a neutral source. Had Mr. Epstein been more willing to answer questions for attribution prior to publication, his response could have been included in the article as well.

In addition, although Mr. Edwards' incentive as a lawyer suing Mr. Epstein on behalf of multiple clients is mentioned repeatedly in the articles, Mr. Epstein would prefer that his lawsuit against Mr. Edwards be mentioned as well. Doing so would have required a fair report of that proceeding, including the allegations and the defenses, which would have added little to the point that is obvious to readers: Mr. Edwards regards Mr. Epstein as a predator and, whatever other motives he has, he explicitly has a financial incentive do so. The back and forth of a lawsuit by Mr. Epstein against Mr. Edwards would do nothing to make Mr. Edwards' bias clearer and arguably would have muddied the point.

Finally, the articles never state that Mr. Epstein has been charged with "sex trafficking." The July 29 article does report a renewed investigation of Mr. Epstein for possibly engaging in that crime, but does not state that charges will follow. The article also quotes his attorney Jack Goldberger stating that he had no knowledge of such a probe and that Mr. Epstein's position is that his compliance with the terms of the non-prosecution agreement should mean that there is no basis for such an investigation.

If you provide additional details on what your dispute is with the report of the Brunel money and the settlements with the seven plaintiffs, *The Daily Beast* will consider those points further. At this point, there is no basis to correct any of the statements about which your letter complains.

Jay P. Lefkowitz, Esq.
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Very truly yours,

A handwritten signature in black ink, appearing to read "Joshua Sussman", with a long horizontal flourish extending to the right.

Joshua Sussman
VP, General Counsel, Programming