

Defendants' Draft of 10/7/09
For Settlement Purposes Only

Confidential & Inadmissible Under NY CPLR 4547, FRE 408 and Other Applicable Law
SETTLEMENT AGREEMENT AND GENERAL RELEASE

THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE (the "Agreement") is entered into as of October __, 2009, by and between Ava a.k.a. Maximilia Cordero ("Plaintiff") and Jacqueline Mari ("Mari"), on the one hand, and Jeffrey Epstein, Nine East 71 Street Corporation, and Jeffrey Epstein and Co. ("Party Defendants"), on the other hand.

RECITALS

WHEREAS, Plaintiff, Mari and Party Defendants (each, a "Party" and, collectively, the "Parties") desire to settle and resolve all actual or potential disputes, claims, and actions among them in accordance with the provisions of this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the above premises and the respective agreements and other provisions contained in this Agreement, the Parties, intending to be legally bound, hereby agree as follows:

1. Representation by Jacqueline Mari

Jacqueline Mari, counsel for Plaintiff, hereby represents and warrants that Plaintiff has the full mental and legal capacity to enter into, execute and perform this Agreement and is not an infant or incompetent person, by reason of insanity or otherwise, or a conservatee or a person for whom a committee has been appointed for any reason, and that this Agreement is fully enforceable against Plaintiff, and Plaintiff's heirs, executors, administrators, personal representatives, agents, successors and assigns, in accordance with the terms hereof.

2. No Admission of Liability

Neither this Agreement nor any documents relating to the subject matter hereof shall be construed as an admission of liability by any Party Defendant with respect to the allegations in the Action (as hereinafter defined), or in any other matter. The Parties acknowledge and agree that they are entering into this Agreement solely to avoid the inconvenience and unnecessary expenditure of time and resources associated with litigating the Action and any other matters among the Parties. All communications (whether oral, in writing or in electronic form), agreements, documents, or other materials by, between or among any of the Parties, their counsel, or their respective representatives in connection with this Agreement, the transactions contemplated hereby, the Action or any other related matters shall be protected to the fullest extent permitted by law, including but not limited to, NY CPLR 4547 and Federal Rules of Evidence 408. The Parties agree that neither this Agreement nor any of the provisions hereof shall be used or construed against or adversely to any Party to this Agreement in any action except to enforce the provisions hereof.

3. Dismissal of Action With Prejudice

(a) Within ten (10) business days after the Parties have executed this Agreement, Plaintiff and Party Defendants shall have their respective counsel execute a Stipulation of Discontinuance with prejudice, substantially in the form attached hereto as Exhibit A (the "Stipulation of Discontinuance"), with respect to that certain action commenced on or about October 22, 2007, captioned *Ava a.k.a. Maximilia Cordero v. Jeffrey Epstein, Victoria's Secret Stores Brand Management Inc. a.k.a. Victoria's Secret Stores, Leslie Wexner, Nine East 71 Street Corporation, and Jeffrey Epstein and Co.* (the "Defendants"), No. 113903/07 in New York Supreme Court, New York County, including, without limitation, Plaintiff's appeal of the Supreme Court's October 16, 2008 decision to dismiss the same, and all other proceedings relating thereto (the "Action").

(b) Within ten (10) business days after the Parties have executed this Agreement, Plaintiff and Party Defendants shall have their respective counsel execute a Stipulation of Withdrawal with prejudice, substantially in the form attached hereto as Exhibit B ("the Stipulation of Withdrawal"), with respect to the appeal of the Action in New York Supreme Court, Appellate Division, First Department.

4. Payment

Party Defendants will pay Mari the sum of \$28,000 (the "Payment") in consideration for Plaintiff's and Mari's execution of, and complete performance and satisfaction of their respective obligations under, this Agreement. The Payment will be made to Mari within ten (10) business days after the Stipulation of Discontinuance and Stipulation of Withdrawal are entered and ordered by the New York Supreme Court and the Appellate Division respectively.

5. General Release

Except for claims to enforce the provisions of this Agreement, Plaintiff, for and on behalf of Plaintiff and each of Plaintiff's heirs, executors, administrators, successors, assigns, agents, personal representatives, and attorneys, including, but not limited to, Mari, hereby fully and forever releases, remises, acquits and discharges (and covenants not to sue), individually and collectively, the Defendants, and their present and former parents, subsidiaries, affiliates, principals, shareholders, officers, directors, employees and agents, and their heirs, executors, administrators, successors, assigns, personal representatives, affiliates, advisors, accountants and attorneys (collectively, the "Defendant Releasees"), and each of them, from (and for) any and all claims, complaints, allegations, demands, rights, matters, issues, counterclaims, cross-claims, actions, causes of action, contracts, obligations, suits, debts, dues, sums, liens, losses, costs, liabilities and judgments (collectively, "Claims"), of any kind, character or nature whatsoever, whether known or unknown, fixed or contingent, at law or in equity, which Plaintiff ever had, now has, or may hereafter claim to have against any of the Defendant Releasees with respect to any matters, facts, events or circumstances from the beginning of the world through the date of this Agreement, including, without limitation, any and all Claims that were asserted or that could have been asserted by Plaintiff in the Action.

6. Fees and Costs

The Parties shall bear their own costs and attorneys' fees incurred in connection with the Action and this Agreement.

7. Independent Advice

Each Party represents and warrants to the other Parties that it has the requisite power, competence, mental and legal capacity and authority to enter into, execute and perform the provisions of this Agreement. Each Party represents and certifies that it has secured independent legal advice and consultation in connection with the negotiation and execution of this Agreement and any rights it may relinquish hereby, and that it has not relied upon any representations or statements made by any other Party or by any other Party's counsel, employees, officers, directors, shareholders, principals, or agents in connection with the negotiation, making and execution of this Agreement, other than as expressly stated herein.

8. Entire Agreement; Amendments

This Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes any understanding, statement, representation, promise, inducement or agreement not expressly contained herein with respect to such subject matter. It is expressly understood and agreed that this Agreement may not be altered, amended, or otherwise modified in any respect except by a writing duly executed by all of the Parties. No waiver of any provision of this Agreement shall be valid unless in writing and signed by the person against whom that waiver is sought to be enforced. Any such waiver of any provision hereof shall be effective only in the specific instance and for the specific purpose for which such waiver is given. No failure on the part of any Party to exercise, and no delay in exercising, any right, power or privilege under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

9. Construction

This Agreement shall be construed without regard to which Party or Parties prepared it and shall be deemed as jointly prepared by the Parties hereto. Any ambiguity or uncertainty in this Agreement shall not be construed against any Party on the basis that such Party may have drafted such provision. The Paragraph headings contained in this Agreement shall be for convenience of reference only and shall not affect the construction of this Agreement.

10. Parties Bound

The provisions of this Agreement shall bind the Parties, as well as their respective heirs, executors, administrators, personal representatives, trustees, agents, beneficiaries, predecessors, successors, assigns, and attorneys, and shall be for the benefit of the Parties and the Defendant Releasees (each of whom is an intended third party beneficiary of this Agreement), and this Agreement may be enforced by each of them in accordance with the terms hereof in respect of the rights granted to such persons hereunder. Except and to the extent set forth in the preceding

sentence, this Agreement is not intended for the benefit of any person other than the Parties, and no such other person shall be deemed to be a third-party beneficiary hereof.

11. Confidentiality

The Parties hereto shall keep the fact that this Agreement exists, the provisions hereof, and the transactions contemplated hereby in strict confidence and shall not directly or indirectly disclose any of the same or this Agreement, or any part thereof, to any person or entity for any reason; provided, however, that the Parties hereto may disclose this Agreement and the provisions hereof in any legal action brought by a Party solely to the extent necessary to enforce the provisions of this Agreement, or to the extent compelled to do so in response to the issuance and valid service of a valid subpoena, court order, government agency order or subpoena, or other compulsory legal process. At least five (5) business days prior to Plaintiff or Mari making any disclosure in response to such compulsory legal process, such Party making or asked to make such disclosure shall inform each of the other Parties of the proposed disclosure and provide a copy to the other Parties of any and all requests in connection with such compulsory legal process and, to the extent permitted by the law, regulations, and/or rules of the issuing court, reasonably cooperate with any Party opposing disclosure, at the opposing Party's expense, in the opposing Party's efforts to obtain a court order preventing, limiting or otherwise restricting such disclosure. Each Party hereto may also disclose the relevant provisions of this Agreement on a strictly confidential basis to their respective attorneys and tax advisors solely to the extent required for the purpose of preparing and filing tax returns and tax reporting information for such Party. Prior to making any such disclosure to such attorneys and tax advisors, such disclosing Party shall inform such attorneys or tax advisors of the confidentiality provisions contained in this Agreement and obtain such attorneys' or tax advisors' written agreement to be bound by the provisions of this Paragraph 11.

12. Breach of Confidentiality

The Parties agree that in the event of a breach of the confidentiality provisions of Paragraph 11 of this Agreement, the actual damages may be significant but difficult to determine with certainty. Accordingly, in the event of any such breach or threatened breach, the non-breaching Party or Parties shall be entitled, without the need to post a bond or other security, to an order, including, but not limited to, a temporary restraining order, enjoining such threatened breach or further breaches by the breaching Party or Parties and awarding the reasonable attorneys' fees and costs incurred by the other Parties to enforce the provisions of Paragraph 11 of this Agreement and this Paragraph 12, and such other relief as may be warranted by the facts and available at law or in equity.

13. Non-Disparagement

Each Party hereby covenants and agrees that such Party shall not, directly or indirectly, make any public statement or other public communication (whether oral, in writing or in electronic form) that impugns or attacks the reputation or character of any other Party or any Defendant, or damages the goodwill of any other Party or any Defendant, its employees, officers, directors, principals, agents, other representatives or business; provided, however, that no denial by any Party Defendant of liability for any Claim released pursuant to Paragraph 5 hereof shall

be deemed a violation of this Paragraph 13. Plaintiff and Mari further agree that neither they nor their agents, representatives or attorneys shall, directly or indirectly, encourage, solicit, foment, facilitate or cooperate in the investigation, filing or pursuit of any civil Claims by any third parties that would constitute Claims against any Defendant Releasee of any kind, character or nature whatsoever, except to the extent required (subject to the provisions of Paragraph 11 relating to notice to and reasonable cooperation with any Parties opposing disclosure) in response to the issuance and valid service of a valid subpoena, court order, government agency order or subpoena, or other compulsory legal process.

14. Breach of Non-Disparagement

The Parties agree that in the event of a breach of the provisions of Paragraph 13 of this Agreement, the actual damages may be significant but difficult to determine with certainty. Accordingly, in the event of any such breach or threatened breach, the non-breaching Party or Parties shall be entitled, without the need to post a bond or other security, to an order, including, but not limited to, a temporary restraining order, enjoining such threatened breach or further breaches by the breaching Party or Parties and awarding reasonable attorneys' fees and costs incurred to enforce the provisions of Paragraph 13 of this Agreement and this Paragraph 14, and such other relief as may be warranted by the facts and available at law or in equity.

15. Further Assurances

Each of the Parties agrees that at any time and from time to time upon the request of another Party, it shall execute and deliver such further documents and do such further acts and things as such other Party may reasonably request, at the expense of such requesting Party, consistent with the provisions hereof, in order to effect the intent and purposes of this Agreement.

16. Non-Assignment

Each of Plaintiff and Mari represents, warrants and certifies that there has been no transfer or assignment, or attempted transfer or assignment, of any right, title or interest in or to any Claim that is being released and discharged pursuant to the release provided by Plaintiff in Paragraph 5 above.

17. Counterparts

This Agreement may be executed in one or more counterparts, all of which counterparts shall be deemed to be one instrument, provided that each signatory to this Agreement executes at least one (though not necessarily the same one) of such counterparts.

18. Severability

If any provision of this Agreement, or the application thereof to any person or circumstances, shall for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to the unaffected persons or circumstances, shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

19. Governing Law

This Agreement shall be governed by the laws of the State of New York applicable to agreements made, and to be performed, therein, without resort to the conflict of law provisions or rules of New York or any other jurisdiction. The prevailing Party or Parties in any such action or proceeding shall be entitled to be reimbursed by the losing party for all reasonable costs and expenses incurred as a result thereof, including, but not limited to, reasonable attorneys' fees and disbursements.

20. Copies

All execution copies of this Agreement for Plaintiff and Jacqueline Mari shall be held and maintained exclusively at the offices of Jacqueline Mari, 16 East 98th Street, #7H, New York, NY 10029, and no execution copies, drafts or documents reflecting, in whole or in part, the provisions of this Agreement, or reproductions or copies (including, but not limited to, written, manually transcribed, facsimile, or electronic copies), in whole or in part, of such execution copies, drafts or documents, shall be held or maintained by either of them at any other location. Any and all such execution copies, drafts, and documents, and reproductions and copies thereof, in whole or in part, shall be deemed to be strictly confidential and subject to the provisions of Paragraphs 11 and 12 of this Agreement. The Parties agree that in the event of a breach of the provisions of this Paragraph 20, the actual damages may be significant but difficult to determine with certainty. Accordingly, in the event of any such breach or threatened breach, the non-breaching Party or Parties shall be entitled, without the need to post a bond or other security, to an order, including, but not limited to, a temporary restraining order, enjoining such threatened breach or further breaches by the breaching Party or Parties and awarding reasonable attorneys' fees and costs incurred to enforce the provisions of this Paragraph 20, and such other relief as may be warranted by the facts and available at law or in equity.

21. WAIVER OF TRIAL BY JURY

THE PARTIES HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

**END OF DOCUMENT
SIGNATURE PAGES FOLLOW**

Confidential & Inadmissible Under NY CPLR 4547, FRE 408 and Other Applicable Law

IN WITNESS WHEREOF, the Parties have executed this SETTLEMENT AGREEMENT AND GENERAL RELEASE as of the date first written above.

Dated: October __, 2009

AVA A.K.A. MAXIMILIA CORDERO

Ava a.k.a. Maximilia Cordero

Subscribed and sworn to before me this _____ day of _____, 2009.

Notary Public

JACQUELINE MARI

Dated: October __, 2009

Jacqueline Mari

Subscribed and sworn to before me this _____ day of _____, 2009.

Notary Public

JEFFREY EPSTEIN

Dated: October __, 2009

Jeffrey Epstein

Subscribed and sworn to before me this _____ day of _____, 2009.

Notary Public

JEFFREY EPSTEIN AND CO.

Dated: October __, 2009

By:
Title:

Subscribed and sworn to before me this _____ day of _____, 2009.

Notary Public

9 EAST 71 STREET CORPORATION

Dated: October __, 2009

By:
Title:

Subscribed and sworn to before me this _____ day of _____, 2009.

Notary Public