

Date: Mon, Oct 26, 2015 at 8:37 PM

Subject:

To: Brad Wechsler <[REDACTED]>, Melanie Spinella <[REDACTED]>

gain at 20 % not 28. . so total , 35.8%. tax rate. same for boat. and plane each around 10 m so total 7 m savings if both sold

Date: Tue, Oct 27, 2015 at 11:35 AM

Subject: Detailed constructive list.

To: Melanie Spinella <[REDACTED]>

Cc: Brad Wechsler <[REDACTED]>

Decisions needed asap 1 phaidon. topco etc. . (cash needs) many wires needed !! 2 new trustee or not. - new decantings 3 art in art partnership.?! .overdue ?! 4 grats? window - 5 art space. .6 regan arts. .7 plane simplify re structure re finance. re purpose . 8 .boat restrucutre , sister, 9 re fresh estate plan. to consider modifications Alex Victoria equal does not mean same. 10. tra review , sale. , 11 brh, doc review, 12. sale of stock or art ? tax, rent sale 13 . gifts of art. 14. charity current and future pledges , gifts, 15 cash flow. . 16 . new IT and new personnel. 17. operational re-do (bill pay etc) . 18 debra and children ? current and future involvement . notifications etc. . new dynasty trust ? 19. tax plan and disclosures gaming. foreign apollo and phaidon related . 20. investments rationalize incl trading accounts . 21. bank loans . rates ?? terms etc. consolidate. plane boat houses. disclosures? 22 . consolidate and review and reduce the number of all bank accounts and legal entities. decanting liquidating etc. . 23 all outside consultants? valuations etc. 24 review legal bills carefully. 25. third party responsibilty Bens house , alex films . etc.

Date: Wed, Oct 28, 2015 at 5:56 AM

Subject: Fwd: Detailed constructive list.

To: Lesley Groff <[REDACTED]>

please print two copies . re formattted so leon can go line by line ie . heading s question, gift answer. blank who responsible. time frame. fee paid when?

Date: Tue, Oct 27, 2015 at 6:35 AM

Subject: Detailed constructive list.

To: Melanie Spinella <[REDACTED]>

Cc: Brad Wechsler <[REDACTED]>

Decisions needed asap 1 phaidon. topco etc. . (cash needs) many wires needed !! 2 new trustee or not. - new decantings 3 art in art partnership.?! .overdue ?! 4 grats? window - 5 art space. .6 regan arts. .7 plane simplify re structure re finance. re purpose . 8 .boat restrucutre , sister, 9 re fresh estate plan. to consider modifications Alex Victoria equal does not mean same. 10. tra review , sale. , 11 brh, doc review, 12. sale of stock or art ? tax, rent sale 13 . gifts of art. 14. charity current and future pledges , gifts, 15 cash flow. . 16 . new IT and new personnel. 17. operational re-do (bill pay etc) . 18 debra and children ? current and future involvement . notifications etc. . new dynasty trust ? 19. tax plan and disclosures gaming. foreign apollo and phaidon related . 20. investments rationalize incl trading accounts . 21. bank loans . rates ?? terms etc. consolidate. plane boat houses. disclosures? 22 . consolidate and review and reduce the number of all bank accounts and legal entities. decanting liquidating etc. . 23 all outside consultants? valuations etc. 24 review legal bills carefully. 25. third party responsibilty Bens house , alex films . etc.

From: **jeffrey E.** <jeevacation@gmail.com>

Date: Tue, Feb 24, 2015 at 2:20 PM

Subject:

To: Melanie Spinella < >

Leon,

Yesterday , I again spent hours upon hours of my time with your office. ,(speak to brad to get flavor) and you and i will discuss the results in gory gruesome detail on Friday. it mirrored many other weeks spent doing the things that I don;t have the time to do.

In order to keep things in perspective, maybe reviewing an analogy I have used before with you, might be helpful. You and your family are a 6 billion dollar corp. with an income between 250-500 million dollars per year. It contains a few operating biz's , a large wide array of existing investments, in various categories , a desire to enter into others. A panoply of loans, notes. purchases, wide range of all types of taxes. , planes. boats homes. . trusts ,grats. a crazy number of bank accts. (with no oversight) . law firms, acct firms, 800 page tax returns, foreign firms. art consultants. construction consultants bill payers, home mgmt.,vast multitude of llc's , including foreign, and with all that you only have a combined overhead of less that 3 million dollars.

I have previously sent you the very same note that i have enclosed again below ,this time with highlights . I wrote it to you over a year ago. As my acute disability (selective memory) seems to have been raised as one of your concerns , as a rule I try to memorialize things in writing in an attempt to lay out issues that I fear may later turn out to be a problem. ie what i would and wouldn't do , - my responsibilities. etc and those things that are not. below you will find details of things that I thought needed to be done, so that you wouldn't find yourself in the very place where you currently find yourself. however ,you chose to defer many of my suggestions- see below - ,until only weeks ago. ! you chose to defer the jpm acct. the art partnership on and on - into this year. and though the 60- 50 40 timber emails all carried with it a clear warning that you needed to do something re personnel if it were to stabilize,- you chose to wait.

ONE YEAR AGO

Feb 17 2014 i wrote :

With regard the more pressing issue I am uncertain of just how to proceed. I am torn, as my very strong inclination is not to be involved at all . It is extremely time consuming, delicate, fraught with many pitfall many that will make you very upset and a major pain in the ass. I wrote you months ago that the quality of the people involved need to be upgraded. (lucky for me these last issues arose way before the beginning of my involvement) I am also aware however of my overarching friendship obligations of ok, -given all the complexities who else can do it? problem.

Your family office needs a daddy. children with good intentions are running around , sniping , nitpicking with little direction. As a stopgap measure I am suggesting , we put in Larry Delson to take charge **Everyone would report to him. Eileen included.** He would however work for me. this is not, by a long shot my first choice as I prefer only being responsible and standing behind my own personal work (ie the word DONE will no longer be transmitted to reflect status stated by others)

With no commitment on my part whatsoever, to do it. So far as I have failed in my attempt in trying to think through the problem creatively . **My organizations handling of the more complex issues I believe you might find very costly,** very ! (however many structures available some risk sharing, maybe risk caps ,etc) but would **require my teams doing the work** , not yours. Ada should be only a trust, grat administrator. not sure what role you prefer for Eileen as you hired her initially to oversee investments. whether Rich your controller stays or not, is not urgent. having Tom report to a new person,- is. coordination with Suydam Kathy Gregory, I would suggest limiting to one person. The increasing public profile needs to be taken into consideration.

TODAY

With your acquiescence , Eileen did not report to Delson (he acting as a conduit directly to me) , she continued to provide bad info to both you (cash flows , stock accts, structures. sales Etc) and me. and each time with my many annoying calls to you made immediately afterwards that she was g.....y !! No one was hired to run YOUR office until two months ago , no one was even interviewed and even now , Brad, a very nice man, is not even full time,(crazy) Hours upon hours of time need to be spent training him . and his new staff. Eileen followed your instructions. not mine. in fact she continued to ignore mine saying " but Leon said " or " its on Leon's desk etc " , You would become frustrated when i pointed out each instance. of her obfuscation. originally you were given the clear choice, but to save money ,you chose not to hire my team . I was hired to do the architecture, you kept your own team. with Eileen at the head. instructions were given by me, , detailed but ignored by her. (except in the instances where I inserted myself and personally had to do the weeks of grunt work),ex. jpm morgan acct still not in use? That being said, If you do

the cold calculation ,starting from where you were, to where you are currently . you have made a hell of a deal. -- negotiating down my original amount requested , calling upon our friendship and suggesting that the Carlyn mess was partially my fault. (though in that specific example , I had never been asked to do more than merely provide you the name of the most highly recognized atty in the field, not consulted,nor even asked again for my guidance along the way.). I accepted the discount as your friend. (by the way ,,suggesting now, that your Tom is now that last word on tax characterization, frankly is a bit much,-). however - that is all in the past.

In order to move forward

I would ask that you realize that very unlike yours, My business is only comprised of my personal attention and my personal time . Time that I was forced to grossly overspend on your various issues last year. . As you are my very close friend I will not have you participate in a bidding process that I have decided i will have this year for my time . (hopefully a more fair way to allocate) I would also ask that you keep in mind that though our deal expired months ago. (also keeping in mind , that your understanding of the final payment terms neither reflected the emails or my memory, we finished it up your way.) I have answered every call Brad , joslin, Ada or you, have made . reviewed docs over and over/ until once again, I was forced to insert myself strongly as I thought it dangerous not to. I made serious dollar and time concessions last year.very serious I am willing to continue to accommodate some of your concerns , but I am, under no circumstances , none, willing to spend my time for free. its not fair. After cleaning up Carlyn's mess , which was a few weeks and 30 million dollars . We were both highly aware of the dire circumstances in which you found yourself last year, and in fact due predominately to its seriousness. and those very circumstances I took extra care in our negotiations . (you had claimed I had you over a barrel , (a horrible position to be in with my very close friend.), unfortunately I fear that if you are not cautious ,in the near future, another barrel will appear of your own design)

I heard you when you said you believed i had already been paid for the work that is now required. The art partnership has fully answered all your concerns and discharged all my obligations and more so. . (FYI Carlyn's art partnership that you referenced is similar in only its title.) You will also recall that you required that my payments be at the end of my work not at the beginning as everyone else's .(my work was never to include hours upon hours of training your staff). I eventually agreed, this of course should make clear that the 2014 tax year that will close Oct 2015 is not covered by our past agreement at all. I pointed this very fact out to you when I initially proposed a multi year agreement right out of the box. you said you preferred not. As you said ,I have produced results to date, far in excess of even my own exalted opinion of my projections. I have devoted a monumental amount of my limited amount of time-- way, way in excess of our agreement. I will be fair, I am willing to roll in the amount still outstanding from last year if that helps .. However, As my best student , and my only one, you are now capable of doing most, if not all, of the required work yourself. I can put my whiteboard away when you come to eat and just have fun, trade stories,. share moments ideas etc. . I am of course always available to guide you as a friend if you choose that route . always . It will take a great deal of your time , but you will not have to spend any more money on mine .

We are scheduled to meet fri at 430 , I leave at 5 am sat morning.

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Date: Wed, Nov 4, 2015 at 4:45 AM

Subject:

To: Melanie Spinella <[REDACTED]>

okay, its time for you to decide how you would like to move forward. (fyi get your money from the 1031 . the screw up is only one of many,) If you decide to move foward on decanting. phaidon, note basis estate update , each requires many carefully orchestrated detailed steps. and precision . there are hundreds of millions in saving if done correctly and a huge mess if not. If you want me and my colleagues to do it , oversee it paper it and guide it, you should tell me. It is a big undertaking . If not , ok .. Brad and your crew can do it. I will have no real further involvement apart from confirming the outcome of my proposed structure, I will not risk the admonition of- they thought you said, they thought you meant, they understood it to be. but they said you said, (i e ,I asked at our meeting that accounting be done properly for bens house , what came back was ada thought that I meant that we needed to go back to the 97 trust and give him a full third party accounting of where his money had gone???? I kid you not). I dont think brad should talk to jane heller without a fully fleshed out plan in place and even then it should be you.

Date: Wed, Nov 11, 2015 at 10:59 AM

Subject:

To: Richard Joslin <[REDACTED]>, Joe Avantario <[REDACTED]>, Brad Wechsler <[REDACTED]>

lets calculate the exact payoff amount for the leon note as of nov 30 ,DEC1 , dec 31. 1) does art space get folded in to phaidon. . middle cos dissolved.? 2 collapse topco etc

open bank accounts for apoo

interest will be approx 50k per day . look at deduction.

note payoff docs- notaries . new docs. releases ? , accountings? disclosures? (gaming ?) art partnership . renew. will? repaper lease guarantees? macfarlanes. ? do we pay down 10m. of plane. ? proposal for airplane , 91 , 135. exec , jet. .? remove debra. from plane?

Date: Wed, Nov 11, 2015 at 11:00 AM

Subject:

To: Melanie Spinella <[REDACTED]>

EFTA00812188

we should discuss e trust and j black trust. , brad buying phaidon. artspace folding ? plane/
boat. foundation.

Date: Wed, Nov 11, 2015 at 9:09 PM

Subject:

To: Melanie Spinella <[REDACTED]>

we need to coordinate. brad bank, cannot be clumsy

Date: Fri, Nov 20, 2015 at 10:50 AM

Subject: agenda

To: Melanie Spinella <[REDACTED]>

1. brad or richard. makes litte difference. 2. gagosian . no written contract??!! fishy to me - who transfers 100 million dollars overseas without a contract , - dont want you pulled into a scandal. careful especially as he is on the tax dept radar, . 3. I would like you to delineate what you would like me to do - the more specificity the better.- I think it important to avoid any misunderstandings as to each of our obligations and responsibilities. I will always give you my best advice. I have made my views re ada and the office clear . no hedging. . THEY should go. no hesitation . no zeus, your choice obviously. good news - I will not bring it up again. moving forward- These transactions will require a great deal of manpower over the next holiday month, every document needs minute review. . I would like to fix our fee agreement , in detail no later than this weekend . ie amounts , dates paid . entities paid. any concept you may have of" after care"? all on the table. .other questions such as how much to leave your children ,in what form, has no right answer. but you and I can dialogue as long as you like about issues of judgement. it is out of o friendship. not biz. (bill hellman as a trustee?) . we can talk about that during walks etc . I would like for you and I to go back to having fun.

Date: Mon, Nov 23, 2015 at 11:53 AM

Subject:

To: Melanie Spinella <[REDACTED]>

25 minutes needed. 1 new and vastly improved plan, needs your thoughtful input. decisions on legacy paintings bronzes. books etc. 2. we need to reach fee agreement. and authorities.(alan and I spent time over the weekend,) , hundred documents to be drafted. 3. gagosiaon 4 revolver . 5 inspire - FBI . 6. Phaidon, solution. 7 plane. no need to reinvent the wheel. . (rowen).

Date: Tue, Nov 24, 2015 at 2:41 PM

Subject: Fwd: Loan

To: Melanie Spinella <[REDACTED]>

Please talk to him

Date: Tuesday, 24 November 2015

Subject: Loan

To: Jeffrey Epstein <jeevacation@gmail.com>

Cc: Melanie Spinella <[REDACTED]>, "Alan S. Halperin" <[REDACTED]>, Ada Clapp <[REDACTED]>, Joe Avantario <[REDACTED]>

Jeffrey-given the high daily interest cost (50k+/-) on \$\$ borrowed which you pointed out yesterday, here's what I'm thinking, but I want to be 100% on the same page as you:

1. Close next monday on the credit line, but don't borrow any \$\$ (We can, of course push closing back but my preference wld be to close.)
2. Right now, at barry's request, Irene Steiner, on behalf of the trustees is reviewing apo1 and apo-01. While probably not impt on a "substantive" basis it was (a) impt to barry and (b) is likely good for leon.
3. We are hoping to have signature pages to the trustees (and returned to us) by early to mid next week. (Ada will oversee.)
4. We will then get the new trust to bofa who, moving quickly (according to them), will have an acct open the following week, 12/7-9.
5. We need to manage execution of paperwork associated with decanting which I assume occurs once apo-01 and bank acct are operative. (Ada I'm sure you'll be on top of this).
6. I assume we will move \$\$ to pay down loan the day or day after (?) apo-01 bank acct open. As you know we cld do this as early as next monday/tuesday but then cash will be sitting in apo-1 while we're waiting for apo-01 bank acct.
7. If there are sales of assets (or llc's) from leon to apo1 or apo-01 that needs to be buttoned down and organized asap.
8. Same if you want another NEW trust in the mix as that will involve paperwork and opening an acct with bank.

Let's discuss to make sure we're on the same page on process. B

Sent from my Verizon Wireless BlackBerry

Date: Mon, Nov 30, 2015 at 5:21 PM

Subject: agenda

To: Melanie Spinella <[REDACTED]>

1 fees, amount and to what entities when and responsibilities. 2. gagosian idea to save a minimum of 10 mill and maybe more. 3. i can walk you through carlyns screw up, 50 % would have made little difference and maybe made it worse. 4. we should have an all hands meeting with your family to talk about art distribution on death. 5. phaidon, decantings (already firmly in progress) loans. (alan) pent. (with follow up) all part of same elegant transaction, 6 asymmetric risk worth at least 50- 60 no matter how you calculate. I can explain. 7 lets get the money issue out of the way once and for all. I have my team set to start.

Date: Tue, Dec 1, 2015 at 12:26 PM

Subject:

To: Brad Wechsler <[REDACTED]>

I would like to consider the gaming commmison disclosure dates. 2 we should put to bed once and for all adas concerns re the bronzes. alan should opine on valuation ranges? rather than estimates. 3. Leons input re gagosian purchase. (trade in , 1031 if 17 likely transfer- . scream, phaidon. plane and boat. 4. I would like to review all assignment docs. decanting schedules. (exhibits). balance sheets for apo1-2 . . loan docs re transfer of narrows inside . 5. Leon should be clear regard future steps . pent etc. swaps , paydowns 6 mock-ups of all before trigger pull.

Date: Wed, Oct 28, 2015 at 12:56 AM

Subject: Fwd: Detailed constructive list.

To: Lesley Groff <[REDACTED]>

please print two copies . re formattted so leon can go line by line ie . heading s question, gift answer. blank who responsible. time frame. fee paid when?

Date: Tue, Oct 27, 2015 at 6:35 AM

Subject: Detailed constructive list.

To: Melanie Spinella <[REDACTED]>

Cc: Brad Wechsler <[REDACTED]>

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ate: Fri, Dec 4, 2015 at 2:07 PM

Subject: Fwd: moving forward

To: Melanie Spinella <[REDACTED]>

I had forgotten that Alan was actually at the table when i explained my note deal to you. it was at the end of the meeting described below. . as you will recall , not once , not even a peep did alan suggest contemporaneously his hand in the crafting, in fact brad said it was an idea. that HE brad, HAD HAD , from the begining . my emails between alan and I that you can read , further confirm authorship. Im sure you recall the obnoxious tooting when alan said he agreed with my plan. .

Date: Mon, Nov 2, 2015 at 10:03 PM

Subject: moving forward

To: Melanie Spinella <[REDACTED]>

I have mixed emotions about what transpired today. really, You saw first hand in nauseating detail what i have been saying to you for quite a while now. Joslins answers were totally incomprehensible. the charts he prepared unreadable. Brads defensive posture was at a minum very surprising . He and I have recently gotten along quite well , I thought . Neither Joslin or Brad understood a 180 million dollar number . no cash flow after weeks of requesting? odd. when you suggested that heathers behavior was emblematic of a sloppy office , brad said lets not talk about emblems??! bill pay , admittedly no change for the year. . plane not done. though it was the only thing i suggested doing first in july . . I sent you a list of 10 consultantts. brad said three, . i didnt want to push it. I was shocked that brad was opining on things he knows little or nothing about. tax issues. 1031. neg basis , note payoffs (the same idea he said he had had from the beggining??!!) . answers re LBF holdings that can be corrected (they cant) . valuations that have never been read. . When we met in your lobby he seems surprised that i was there. I dont know if he felt somewhat sandbagged. . .

the savings on the note payoff is approx 33 % of 1.8 billion. real money if you do phaidon which i see no reason not to . if later josh and ben want to buy it back with you or without you they can. i will walk you through the structure one on one. . the losses will offeset the calder gain as well as apollo gain.

Im aware that seeing what you saw frustrated you. I felt badly for you.

You wanted a contingent deal. real value. etc. I will not of course hold you to your deal . . its silly. its not how i work or a reflection of our friendship. my proposal is as follows. I want away from your buisness , but at the same time leaving you in good shape. I think you should pay the 25m that you did not for this year. for next year its the same 40 m as always, paid 20 in jan and 20 in july, and then we are done. I will give you advice and counsel but new people will be running your operating machine. I will oversee all the work that needs to be done you and I will hire new people , and it will be self running. (it was may in my house when you told brad it had been 5 months and you were getting fed up) I will set up a parallel . office , somenoe like wendy dolman or her quality is paramount. two accountants two bookeepers and two office admins. . alan and zoe will handle trusts and grats. heatehr diana george will be involved in art partnership. if you want brad, analysts etc. and kids to do investments I have little to add in that regard ,except to be able to account for things properly. I suggest that the kids must have skin in any deal.

Alternatively , we can continue to focus on fun and let someone else do the things that you want done. and you and I can kibbitz about it all. structures outcomes risk, museums. charity, (joslins answer by the way was I had asked how much charity was leon planing to give this year , (the 2 m) he didnt include your foundation or the payment to me, or from debra and you??!!

Date: Mon, Dec 7, 2015 at 5:39 PM

Subject: Fee

To: Melanie Spinella <[REDACTED]>

Amount ? Paid in kind ? Financed ? Plane ?Paid to ? Non charity , charity . Fixed dates

Date: Mon, Dec 7, 2015 at 8:05 PM

Subject:

To: Melanie Spinella <[REDACTED]>

please re iterate that no further actions taken without careful document review. please

Subject:

To: Melanie Spinella <[REDACTED]>

Leon,

As you are well aware, There is little I won't do for you, or at least try to do as a friend, and a great deal that I have already done (both known and some things that willneed to remain unknown.) Our arrangement was for me to architect sophisticated structures that would be beneficial to you. that is what I have done and will continue do in order to fulfill my obligations under our agreement. The discovered fact that you in reality need an entire family office built from scratch

has been trying I have already agreed de- facto to try to help. I would suggest that Phaidons payroll and attention pales in importance to your personal structure, which has taken a back seat, Some of my suggestions regarding the Eysium office are as follows you will need a budget of 3- 5 million per year. CEO 1 million, new tax person to work with rich, 250. new bookkeeper ,200 new paralegal to work with ADA ALan etc , coordinating with Apollo, Akin , paul weiss , new acct openings , sec filings , sales tax review, etc. \$150 . art point person. loan , inventory, purchasing support, \$?? software servers. video conferencing, tax oversight.

I believe You should rapidly address trustees , gift trust, succession, wills of debra and children, , monetization events , cash flow. etc I can of course share my experiences with you on each issue.

With regard the more pressing issue I am uncertain of just how to proceed. I am torn, as my very strong inclination is not to be involved at all . It is extremely time consuming, delicate, fraught with many pitfall many that will make you very upset and a major pain in the ass. I wrote you months ago that the quality of the people involved need to be upgraded. (lucky for me these last issues arose way before the begining of my involvement) I am also aware however of my overarching friendship obligations of ok, -given all the complexities who else can do it? problem.

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With no commitment on my part whatsoever, to do it. So far as I have failed in my attempt in trying to think through the problem creatively . My organizations handling of the more complex issues I believe you might find very costly, very ! (however many structures available some risk sharing, maybe risk caps ,etc) but would require my teams doing the work , not yours. Ada should be only a trust, grant administrator. not sure what role you prefer for Eileen as you hired her initially to oversee investments. whether Rich your controller stays or not, is not urgent. having Tom report to a new person,- is. coordination with Suydam Kathy gregory, I would suggest limiting to one person. The increasing public profile needs to be taken into consideration.

talk later..

Date: Sun, Dec 28, 2014 at 5:18 AM

Subject: jobs ahead

To: Brad Wechsler <[REDACTED]>, Melanie Spinella <[REDACTED]>, Ada Clapp <[REDACTED]>

1. review accounting system. Book keeping software. staff, (senior accountant) methods on line banking, brokerage. cash mgmt. airplane reimbursement. boat sale. art purchases sales use and sales tax. tax filings FBAR FATCA, gaming commision, pfics, insurance . uk co law.

2. review docs for TRA BRH grats, trusts, heritage will, insurance, art lending. medical, springing powers. two fire drill books. one needed for injury. other for death

3 review bills . boats , planes, legal, (PW, McFarlands all outside. legal and accounting. Toms bills over 400k . house projects. south ny ben

4 cashflow projections tax projections , interaction with Apollo accounting tax, Phaidon ,art space ,and Regan. legal accounting. audit

5. children meetings , review to date and allocations

6 review all role in payables. files scanned, no paper

7 review invesmtents for tax basis and unrecognized gain

8 schedule of all hedge funds . redeemables commitments etc.

9 charities pledges strucutre, staff ,

Date: Fri, Feb 20, 2015 at 5:52 AM

Subject:

To: Melanie Spinella <[REDACTED]>

1) pg 1 A " unequal shares" . pg 23 "removal of trustees " absolute. dont be confused with abiltiy to set up seperate trusts, , 2) I am reachable this afternoon in europe. on cell. 3. on another note . -our financial agreement ended months ago . seperate from the art partnership (which i was told yesterday to my amazement is still not funded) . i am obligated to complete ? the time i have dedicated since oct/dec has been spent mainly as your friend. tom, brad though i am fully cognizant of my responsibilities. I will try to help find people. I am not good at human resources. howevr If I don;t think they are good enough for you. I will continue to say so , and you obviously decide. but I will reiterate even in the face of your "nobody is good enough argument." keeping foremost in my mind that you and I have only been shown a very tiny handful of people. 4. I find the friction over fees , counterproductive. in an attempt to avoid it I had suggested a multi year deal early on. you rejected it. I then suggested, and urged you to have an option at a fixed fee , you also rejected that .you wanted the fee payment only at the end I argued but ,conceded. I suggested a structure that tom didn't like. you rejected it . 5 I suggest you make a fair proposal.- that i can either accept or reject. some payment up front this time is a requirement. I am willing to modify any outstanding obligations. - there are creative ways to assure you of your desired characterization of those payments. 6 you should open accts at Deutsh . and goldman. I am told that eilleen has set up over one hundred bank accts for you????!. few relevant 7 you should immediatly demand a list of all her acct authorites , exec poistions . director etc. bank authorizations. etc. talk later or over the weekend if you like

Date: Wed, Dec 9, 2015 at 10:16 AM

Subject: Fwd:

To: Jeffrey Epstein <jeevacation@gmail.com>

kkkjkjjkjyou said

Date: Tue, Feb 24, 2015 at 8:20 AM

Subject:

To: Melanie Spinella <[REDACTED]>

Leon,

Yesterday , I again spent hours upon hours of my time with your office. ,(speak to brad to get flavor) and you and i will discuss the results in gory gruesome detail on Friday. it mirrored many other weeks spent doing the things that I don;t have the time to do.

In order to keep things in perspective, maybe reviewing an analogy I have used before with you, might be helpful. You and your family are a 6 billion dollar corp. with an income between 250-500 million dollars per year. It contains a few operating biz's , a large wide array of existing investments, in various categories , a desire to enter into others. A panoply of loans, notes. purchases, wide range of all types of taxes. , planes. boats homes. . trusts ,grats. a crazy number of bank accts. (with no oversight) . law firms, acct firms, 800 page tax returns, foreign firms. art consultants. construction consultants bill payers, home mgmt.,vast multitude of llc's , including foreign, and with all that you only have a combined overhead of less that 3 million dollars.

I have previously sent you the very same note that i have enclosed again below ,this time with highlights . I wrote it to you over a year ago. As my acute disability (selective memory) seems to have been raised as one of your concerns , as a rule I try to memorialize things in writing in an attempt to lay out issues that I fear may later turn out to be a problem. ie what i would and wouldn't do , - my responsibilities. etc and those things that are not. below you will find details of things that I thought needed to be done, so that you wouldn't find yourself in the very place where you currently find yourself. however ,you chose to defer many of my suggestions- see below - ,until only weeks ago. ! you chose to defer the jpm acct. the art partnership on and on - into this year. and though the 60- 50 40 timber emails all carried with it a clear warning that you needed to do something re personnel if it were to stabilize,- you chose to wait.

ONE YEAR AGO

Feb 17 2014 i wrote :

With regard the more pressing issue I am uncertain of just how to proceed. I am torn, as my very strong inclination is not to be involved at all . It is extremely time consuming, delicate, fraught with many pitfall many that will make you very upset and a major pain in the ass. I wrote you months ago that the quality of the people involved need to be upgraded. (lucky for me these last issues arose

way before the beginning of my involvement) I am also aware however of my overarching friendship obligations of ok, -given all the complexities who else can do it? problem.

Your family office needs a daddy. children with good intentions are running around , sniping , nitpicking with little direction. As a stopgap measure I am suggesting , we put in Larry Delson to take charge **Everyone would report to him. Eileen included.** He would however work for me. this is not, by a long shot my first choice as I prefer only being responsible and standing behind my own personal work (ie the word DONE will no longer be transmitted to reflect status stated by others)

With no commitment on my part whatsoever, to do it. So far as I have failed in my attempt in trying to think through the problem creatively . **My organizations handling of the more complex issues I believe you might find very costly,** very ! (however many structures available some risk sharing, maybe risk caps ,etc) but would **require my teams doing the work** , not yours. Ada should be only a trust, grat administrator. not sure what role you prefer for Eileen as you hired her initially to oversee investments. whether Rich your controller stays or not, is not urgent. having Tom report to a new person,- is. coordination with Suydam Kathy Gregory, I would suggest limiting to one person. The increasing public profile needs to be taken into consideration.

TODAY

With your acquiescence , Eileen did not report to Delson (he acting as a conduit directly to me) , she continued to provide bad info to both you (cash flows , stock accts, structures. sales Etc) and me. and each time with my many annoying calls to you made immediately afterwards that she was g.....y !! No one was hired to run YOUR office until two months ago , no one was even interviewed and even now , Brad, a very nice man, is not even full time,(crazy) Hours upon hours of time need to be spent training him . and his new staff. Eileen followed your instructions. not mine. in fact she continued to ignore mine saying " but Leon said " or " its on Leon's desk etc " , You would become frustrated when i pointed out each instance. of her obfuscation. originally you were given the clear choice, but to save money ,you chose not to hire my team . I was hired to do the architecture, you kept your own team. with Eileen at the head. instructions were given by me, , detailed but ignored by her. (except in the instances where I inserted myself and personally had to do the weeks of grunt work),ex. jpm morgan acct still not in use? That being said, If you do the cold calculation ,starting from where you were, to where you are currently . you have made a hell of a deal. -- negotiating down my original amount requested , calling upon our friendship and suggesting that the Carlyn mess was partially my fault. (though in that specific example , I had never been asked to do more than merely provide you the name of the most highly recognized atty in the field, not consulted,nor even asked again for my guidance along the way.). I accepted the discount as your friend. (by the way ,,suggesting now, that your Tom is now that last word on tax characterization, frankly is a bit much,-). however - that is all in the past.

In order to move forward

I would ask that you realize that very unlike yours, My business is only comprised of my personal attention and my personal time . Time that I was forced to grossly overspend on your various issues last year. . As you are my very close friend I will not have you participate in a bidding process that I have decided i will have this year for my time . (hopefully a more fair way to allocate) I would also ask that you keep in mind that though our deal expired months ago. (also keeping in mind , that your understanding of the final payment terms neither reflected the emails or my memory, we finished it up your way.) I have answered every call Brad , joslin, Ada or you, have made . reviewed docs over and over/ until once again, I was forced to insert myself strongly as I thought it dangerous not to. I made serious dollar and time concessions last year.very serious I am wiling to continue to accommodate some of your concerns , but I am, under no circumstances , none, willing to spend my time for free. its not fair. After cleaning up Carlyn's mess , which was a few weeks and 30 million dollars . We were both highly aware of the dire circumstances in which you found yourself last year, and in fact due predominately to its seriousness. and those very circumstances I took extra care in our negotiations . (you had claimed I had you over a barrel , (a horrible position to be in with my very close friend.), unfortunately I fear that if you are not cautious ,in the near future, another barrel will appear of your own design)

I heard you when you said you believed i had already been paid for the work that is now required. The art partnership has fully answered all your concerns and discharged all my obligations and more so. . (FYI Carlyn's art partnership that you referenced is similar in only its title.) You will also recall that you required that my payments be at the end of my work not at the beginning as everyone else's .(my work was never to include hours upon hours of training your staff). I eventually agreed, this of course should make clear that the 2014 tax year that will close Oct 2015 is not covered by our past agreement at all. I pointed this very fact out to you when I initially proposed a multi year agreement right out of the box. you said you preferred not. As you said ,I have produced results to date, far in excess of even my own exalted opinion of my projections. I have devoted a monumental amount of my limited amount of time-- way, way in excess of our agreement. I will be fair, I am willing to roll in the amount still outstanding from last year if that helps .. However, As my best student , and my only one, you are now capable of doing most, if not all, of the required work yourself. I can put my whiteboard away when you come to eat and just have fun, trade stories,. share moments ideas etc. . I am of course always available to guide you as a friend if you choose that route . always . It will take a great deal of your time , but you will not have to spend any more money on mine .

We are scheduled to meet fri at 430 , I leave at 5 am sat morning.

Date: Fri, Dec 11, 2015 at 12:19 AM

Subject: Re: Fw: sched

To: "jeevacation@gmail.com" <jeevacation@gmail.com>

Cc: "[REDACTED]" <[REDACTED]>, "[REDACTED]" <[REDACTED]>, "[REDACTED]" <[REDACTED]>, "[REDACTED]" <[REDACTED]>, "[REDACTED]" <[REDACTED]>

Jeffrey-joe tells me you want this to go live on 12/21. Possible, but an awful lot has to go right next week logistically for everything to fall into place. We'll try....

From: Brad Wechsler

Sent: Thursday, December 10, 2015 05:36 PM

To: 'jeevacation@gmail.com' <jeevacation@gmail.com>

Cc: [REDACTED] <[REDACTED]>; [REDACTED] <[REDACTED]>; [REDACTED] <[REDACTED]>; [REDACTED] <[REDACTED]>

Subject: Fw: Fw: sched

On different subject: general time frame is: docs (notes and purchase and sale agreement to you tomorrow end of biz); incorporate your comments monday and get docs to trust attorney tuesday; contemporaneously meet in person with you tuesday or wednesday and do a dry run. On these days ada will also take the trustees through outline of docs they will receive thursday. Docs to trustees, leon et al on thursday and signatures gathered by friday for first close 12/22. Tight but doable. Ada, alan agree?

PS: ada, you shld begin to think abt where people are (jh, rr, bc, ldb) next week.

From: Heather Gray [mailto:[REDACTED]]

Sent: Thursday, December 10, 2015 05:24 PM

To: Brad Wechsler

Cc: Jeffrey Epstein (jeevacation@gmail.com) <jeevacation@gmail.com>

Subject: RE: Fw:

Subject: Re: Fw: sched

Barry-what we're going to do with jeffrey will be "small picture" and detailed. It might be better for you and jeffrey to have a higher level conversation some time next week; either way you'll have access to everything, obviously.

From: Barry J. Cohen [mailto:████████████████████]

Sent: Thursday, December 10, 2015 05:55 PM

To: Brad Wechsler

Subject: RE: Fw: sched

I wouldn't mind attending a meeting or portion of a meeting with JE. If he is the mastermind, and you want to move quickly, it might get a lot of questions resolved quickly.

From: Brad Wechsler [mailto:████████████████████]

Sent: Thursday, December 10, 2015 5:37 PM

To: 'jeevacation@gmail.com'

Cc: ██████████; ██████████; Melanie Spinella; Barry J. Cohen

Subject: Fw: Fw: sched

On different subject: general time frame is: docs (notes and purchase and sale agreement to you tomorrow end of biz); incorporate your comments monday and get docs to trust attorney tuesday; contemporaneously meet in person with you tuesday or wednesday and do a dry run. On these days ada will also take the trustees through outline of docs they will receive thursday. Docs to trustees, leon et al on thursday and signatures gathered by friday for first close 12/22. Tight but doable. Ada, alan agree?

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To: Brad Wechsler

Cc: Jeffrey Epstein (jeevacation@gmail.com<mailto:jeevacation@gmail.com>) <jeevacation@gmail.com<mailto:jeevacation@gmail.com>>

Subject: RE: Fw:

No, ██████ meeting with him at 9:30 am tomorrow.

Date: Fri, Dec 11, 2015 at 9:49 AM

Subject: fee

To: Melanie Spinella <[REDACTED]>

elegant solution ;re fee. , 30 million paid now. with purchase of noel kalb, paid with funds from the drawdown. you should use and keep open the line for the full 30m and leave it outstanding until its expiration. in four months. legit biz reason, very nice , - the balance of the fee - paid in kind either low basis art . or interest in either milenium ,lone cascade ,or king street.

Date: Tue, Apr 14, 2015 at 5:53 PM

Subject:

To: Melanie Spinella <[REDACTED]>

saved you 500k at the last minute, . brad has had the same chart since march 16th, its his job to review NOT MINE .appears he is one of those living in the dark leiwe. I found 8 million dollars today, missed deductions. . not yet in the numbers, .?

Date: Wed, Apr 15, 2015 at 8:59 AM

Subject:

To: Melanie Spinella <[REDACTED]>

1 did the paul weiss bill get paid ??? 2. Talk to me before signing anything today important

10m paid today to gratitude america, a 501 c 3, will make last year complete. 20 million paid today ftc . 10 million july 15 5 million sept 30. , 5 million jan 1 for all of 16 . tax savings paid at 37 percent . of net. savings. 50 million credit. net. so 150 million free . 600 savings 225 million owed. - 50 credit, 175 owed.

Date: Mon, May 18, 2015 at 8:17 AM

Subject: agenda for tomorrow

To: Jeffrey Epstein <jeevacation@gmail.com>, Melanie Spinella <[REDACTED]>

as a reflection on your voiced spirited concerns in the what have you done for me lately category ?)):: .

in the beginning . there was eileen and tom. (eve and adam,-- however it appears, she declined to eat the apple from the knowledge tree)

. that was it. ada was at the bank but reviewing docs. carlyn was in the kitchen making mush (abel and cain)

books as they were mysteriously called was being kept solely by eileen, with little or no input, correction or advice from tom. heretofore if ever asked questions. expenses ie airplane was done in house apollo. (1031 exchange blown etc) at this time

as I recall you got quite annoyed, and aggressive and initiated the "talking out of the both sides of your mouth" tiddy, when i suggested that the level of their competence left much to be desired. (ralph lerner's came later) .response - eileen ran the desk, tom is a partner, ralph wrote the book etc

re tax there was almost no oversight of income, estate, gift, sales and use, transfer excise etc. IRS SEC GAMING NYS. real estate, valuations (many) tax filings- disclosures, etc. re grats trusts defect trusts, lles corps, trustees, partnerships. foreign corps. 100 bank accounts. gift taxes, loans, notes. payables. expenses. insurance. (life, art, split dollar), cashflows, operating biz, investments, contingent liabilities. (funds, miami), commitments dividends, BRH TRA, shareholder agreements, bank loan agreements. wills, construction, contracts planning permits etc..employ rules. checking account reconciliations, credit cards. jewelry, cost basis, (art stock etc.) foundations regs, brokerage accts, old stock certificates. stock options, (environmental solutions still not done!). estate tax calculation fire drill, (note, basis etc) low basis, step ups, however with no accounting system, no review of boat expenses plane expenses etc. many outside counsel with little or no coordination.

Paul Weiss, Mcdermit Will, Macfarlanes. Price Waterhouse, Reich, Withers Bergman, Empire, Akin Gump, BBD Seidman, Wendy, Apollo in house.

lumber, knowledge universe, environmental, solutions 12 mii in stock, on and on

the priority list that you asked me to prepare for brad and you in dec, unfortunately so far, little change ie no accounting system that ties, no, brokerage accounts though strongly suggested, jpm db, gs, april of 2014. IT antiquated

dagastino hired, no input from me, julie, temps, paralegals miriam. etc.

still need new accounting system - on line banking. staff hires. (separate from samantha two years out of school). audit system, ?? john murphy? joslin? dag? eva?. i strongly suggest workers at the highest level of competence. two senior accountants. not managers workers who will get into the weeds. partn expertise, replace ava, get heather help. a new person legal, new IT, system and person, way way overdue, new receptionist, bill opener, ability to oversee

in house, boat plane review household (12million) review, filings- partnership accounting,- familiarity with grats, trusts etc. audit system put in place. that should be the easy part. then strategy to deal with:

As new facts on the ground develop, phaidon debra, children meetings, ? stock sale sale of art, apt (large gain), 1031 trade in, plane depreciation, boat sale. construction, brad will oversee brokerage and investment, ?? pe. real es, publishing, grats, tra, brh (death). foundation, museum, tax projections cash flow projections, coordination with tax from apollo. etc

Date: Thu, May 28, 2015 at 8:53 PM

Subject: ulysses 2.0

To: Melanie Spinella <[REDACTED]>

I realize it is only due to a lack of understanding of the job ahead. and not out of any sense of unwillingness to pay

- as opposed to merely hiring people to set up a family office, someone will have to do the following- separate from the art partnership which is my responsibility. there still needs to be a huge amount of work done for 2015,16. not to mention that brad at the moment is going to have train the incoming team?? your call

strategic decisions re estate and other planning, sale of phaidon etc. in addition setting up for the accounting for each strategy ie.:

income, estate, gift, sales and use, transfer excise picasso, 1031 calder. review and detailed oversight of IRS SEC GAMING NYS. real estate, entity valuations (many) tax filings-disclosures, follow up of grats, trusts, defective trusts, llcs corps, trustees, partnerships. foreign corps. 100 bank account need to be rationalized, not only having brad step in to children investments. gift taxes, trust, loans, notes, payables, expenses allocations. . ., insurance.(life, art, split dollar), cashflows, operating biz, investments, contingent liabilities.(funds, miami), commitments funds and charities, dividend treatment -important review of transactions relating to BRH (amendments) TRA sale (nuanced), shareholder agreements, bank loan agreements new bank relationships. . wills, construction accounting and oversight, contracts planning permits etc..employee rules, regs, . checking account reconciliations, credit cards, jewelry, cost basis,(art stock etc.) foundations regs, brokerage accts, . stock options,(ie environmental solutions still not done!). estate tax calculation fire drill, (note, basis etc) review of boat expenses plane expenses, depreciation issues refunds etc. . rationalize all outside counsels and accounting firms

Paul Weiss, Mcdermit Will, Macfarlanes. Price Waterhouse, Reich, withers bergman, Empire, , akin gump, bbd seidman, , Apollo in house counsel.

set up and oversee brokerage accounts at JPM DB GS and thoughtfully trade

. new IT system from top to bottom full time IT person

new accounting system - on- line banking coordinated with reports. fire drills as per caruci (he sounds good) and . audit system,s . review of john murphy? joslin? dag? eva? .

in house, review household (12million) review, filings- partnership accounting,- familiarity with grats, trusts etc. audit system put in place. that should be the easy part. then strategy re:

As new facts on the ground develop , phaidon debra, children meetings, involvement , trustees adjusted, stock sale sale of art , apt(large gain), 1031 trade in , plane depreciation, boat sale. construction , brad will oversee brokerage and investment, ?? pe?. real estate?, . publishing, grats, tra, brh (death). foundation , museum, tax proejctions cash flow projections, coordination with tax from apollo. etc

you are sitting on over 100 m of cash????!!

Date: Fri, Jan 2, 2015 at 2:55 PM

Subject:

To: Melanie Spinella <[REDACTED]>

Leon, I decided last week that there was little or no upside in disturbing your well earned holiday especially as you seemed so peaceful happy and smiley ,getting yourself in shape and truly enjoying your family time. etc. however the situation in your family office is unresolved. I am aware that brad starts monday however, two last days of the year madness. timber.deal not complete no jpm,acct activity no partnership docs , old stock sales not complete , no bank doc redo. no phaidon note restructure, ., no boat expense review. airplane same ,topco midco.etc still not finished (trustee) , projections mixed with fiction. , legal exp out of control. no care for admin, silly (audit). tom conversation with joslin. notes. debra, trustee notes. trustees hiring . bens audit. interest payable made hoopjumping last day of year. after weeks and months. of lectures , gifts to discuss-staff. -houseproject mgmt. . I will continue to try , I had offered ajoint call with eileen before you left. as i said before , joslin takes instructions from eileen. he said it was made clear to him that he doesn't work for me but works for you. . I tried.

Date: Tue, Dec 29, 2015 at 7:26 AM

Subject: Fwd: leon DO NOT SEND, hand deliver.

To: Jeffrey Epstein <jeevacation@gmail.com>

Transaction complete !

. this - in spite of your collection of Elysium misfits. !!!

With Brad out of the office and unable to run his usual interference , the level of his utter incompetence was brought front and center, he may be a step up from Eileen, but if he is , then it is not certainly not by much, . Though you and I have spent many many hours discussing the importance of details and mechanics. I was not shown one document re phaidon,- not one.. Brad wanted to keep it private between he and his so called " advisors " however as he was out of the office during the most important transaction of the year, I did get to spend time with joslin Joe and john, - the situation in your office is wholly ludicrous - to summarize - the list I provided to Brad last December - things I thought were a priority to get done after consulting with your office still remains virtually undone.

IT, still desperately needed- reporting flawed cumbersome and inaccurate . all done by hand as one -off exercises , - airplane: re structure, (my only suggested priority in june) is really ,no further ahead, ,consultants up the kazoo but nothing at all done.(the office was told that i cannot even see the proposals received without brads specific authorization) - brad has no idea even as to what questions to ask. he knows little of finance, is run roughshod over by almost everyone in the office. he is a little man , using your power, to appear larger . Eileen was self aware enough to know she was over her head , that is a huge difference. bad info is rampant ie 3 million in deductions Im told are taken for art space but on closer examination it turns out they cannot be used at all. (ZERO benefit) though you will be told yes they were deducted on the return they said that is the question they get asked ! " were they deducted " not -" is there a benefit " !! I asked for the balance sheet and P and L for Regan arts , a basic first step in order to check your financials. "sorry we never got one?" though 9.8 million invested, no p&l, nothing , a construction project run amok , no budget, the coo fired after only 3 months. , no clue . I can add that artspace financials are also a total mess.

As your friend and in order to turn the page. I will try to be constructive

The following is a list of things I think would be in your interest to get done asap .but definitely not by me .

i suggest you form new grats. , hire a high level tax partner. use your trading accounts as they remain the paramount requirement 16 months after i emailed to you their importance. , I suggest you consider having the 49percent of phaidon merged into artspace and have Richard buy artspace. re-do bank loans. no need to pay interest at higher rates on boat or plane. . as Richard is now no longer trustee. re- do will, make suydam executor , with Barry, and john as back up. pay 1 million a year for executor role. get rid of Judy Black trust, deal with gifts and their tax returns, . review amounts to kids at fixed ages. put more protections in for Alex and Victoria. , distribute some money to kids let them make decisions. , decide art division with children in attendance . have fire drill done on estate. fill out estate returns as if you and Debra died today, choose advisers - rick bronstein said the only 1040 he ever filled out was his own. (this is brads chosen advisor??!) Halperin has a conflict that should be addressed., Debra should enter a tenants in common agreement with kids. you have airplane consultants tax consultants it consultants. plane operation consultant. . boat consultants. architects, lighting , art, legal, . foundation , deal with TRA , BRH , rationalize investments. cash flow. reporting, gaming disclosures. foreign, gift. . prepare tax projections for 15 and 16, . deal with neg basis (tufts gain, debt financed. art partnership, pledges. sell stock , art, deal with phaidon debt. athene,? income , capital , foreign , exit, corporate, insurance regs, out and inbound issues, basis, appropriate discount rates. ? terminations. control. , qualified dividends. corporate tolls, inversion rules. , grat issues, short swing and other sec disclosures, Rothshcild bank, 150 b they have a distribution network with no products , private bank Rockefeller Rothschild. financial service. deal with UK visa issue sooner rather than later. we can talk about Rowen request re Athene , 2 billion in taxes on transaction. ?!

the facts as i see them

in June and then again Sept, we both agreed to a 50% of phaidon payout., then after weeks of thinking about the issue (which I fully understand) . the payout was unilaterally changed . 5m would be reserved

for the future ? . and out of the remaining 15m ,? i would receive only 5. (note : I'm confident that both the debt , and the artspace investment will also lead to a write off of another 30 m. plus) In my dining room ,you were surprised when I said that i require most people to pay their advisory fee up front so that I am assured that I will be properly compensated for my work when strategies that I devise are implemented . you may recall that you appeared offended and said " are you suggesting that i would go back on my word " I said no , of course not ! you are my closest of friends ,but my experience is that when amounts get large, people tend to get unhappy when it actually comes time for them to pay ,.

From day zero a 50 - 60 million price was attached as the fair price of the transaction just completed . though this amount was already substantially less than our agreed and negotiated formula. - I was never told that this was out of range. in fact, alternative methods of payment . plane -in-kind etc, were discussed (ie keeping the 30m portion of fee outstanding till March) ,I provided as requested a detailed step by step execution plan and reviewed all documents that i was given access to. (Phaidon was not forthcoming) in order to make my many corrections . I was then told that Alans involvement warranted a discount . Even in the best of light , though it is beyond question that not one-,not -one time in three years has he ever proposed a unique idea. (including the new tenant in common idea,) and lets say he made a contribution to the plan and even that it was 50 %. though no one could posit such a large amount unless they were wearing a brightly colored clown suit. , the price of doing the deal was known . It had both sent in writing and spoken about on the phone numerous times , a detailed execution plan was provided . then and only then after all was laid out for the group I was told that after a number of conversations with brad karp that only 20m would be paid , (and even that was more than originally contemplated) for both transactions . I feel It was remarkably unfair. Did brad even know of our prior agreement.? I called him and he said he was never told.?, I would ask that you I and Brad karp sit together if you think it would be helpful. . I would like to send him this email, with your consent of course. If the transactions were never consummated , i would not be owed a dime, however , the price was known up front. , the detailed step by step plan was followed and overseen by me, the price that had been requested before the transaction was begun, and had already heavily discounted, out of friendship, from our agreement . I believe the decision re paying only 20 m has frankly left me felling quite uneasy.

since you asked since last nov. i found 11 million dollars in dormant accounts. 4 million dollars in eileens drawer. . went through cash flows for phaidon shwoing that john murphy is not an accountant. redid your gagosian contract , . organized structure in case of divorce. set up gift trust. stopped ada from including multiple times things not in your interest. dealt with bad sales tax use tax income tax . created 8 millino in deductions ,500k in mistakes , found bank of scotland fbar problems, . reorg bad art purchases , funds taken, , charibale decustions , helped with fincnacil sttment gamoing commions fling. . boat deductions, rescued stock from grats. . may 1 after months of brad not finding anyone i sent an email saying you would have to pay more. . on april 15. I sent an email detailing payments owed if i could figure out the basis issue, please see attached, .

questions you might ask your team ask them to provide a balance sheet or p&l for REgan arts. . doesnt exist

ask . either wechsler or haperin to tell you what brh is, or how the tra works. . . ? as bronstein to tell you why the proposed phaidon transaction DOES not work. . . as them to give you a plan for the plane. ? ask them to show you the cash mgmt for over 100 million dollars. . . ask them to show you the IT system progress after one year. . the approval process for payables. . the cash flow projections? assumptions? ask for a comparative review of investments. ask haperin to describe to you in any detail BRH , the major asset of his two biggest clients. tax basis, disposition in the estate. . etc. ask brad to show you the liquidation of the inteveing art space cos? .

Last year you asked , for my help I told you I preferred not as we would be better off having no financial intereactions. the risk was not worth it. You told me that as my friend i had to do it I agreed., here we are in what I find to be an awkward situation. the transactions that i devised were used , our agreement was ignored. and im not sure how to respond.

--

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Date: Tue, Apr 14, 2015 at 5:53 PM

Subject:

To: Melanie Spinella <>

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1 did the paul weiss bill get paid ??? 2. Talk to me before signing anything today important

10m paid today to gratitude america, a 501 c 3, will make last year complete. 20 million paid today ftc . 10 million july 15 5 million sept 30. , 5 million jan 1 for all of 16 . tax savings paid at 37 percent . of net. savings. 50 million credit. net. so 150 million free . 600 savings 225 million owed. - 50 credit, 175 owed. 600 savings 225 million owed. - 50 credit, 175 owed.

Date: Tue, Jan 5, 2016 at 6:36 PM

Subject: Fwd: leon DO NOT SEND, hand deliver.

To: Jeffrey Epstein <jeevacation@gmail.com>

Transaction complete !

When we had our meeting in your home in Bedford. You asked me for my help. I told you multiple times that i thought it was a very bad idea, in that I preferred to have no financial interactions. I dont have many friends and didnt want money to interfere with our unique relationship. For five years you had the kind but goofy Eileen Alexandersson managing your accounting , legal, investments. reporting, trusts etc. When I told you in no uncertain terms that I firmly believed she was incompetent you admonished me for " speaking out of both sides of my mouth " . With regard Brad Wechsler , there is no " both sides. ". I have consistantly maintained since day one that he was highly unsuited for the job. When you initially asked me to help convince him to take the role , promising him a postion to manage mirage investments I sent you a note saying instead you should pay up and get first class people. I have reiterated the same message for over a year now. . Brad , not me was tasked with hiring new people and as you wanted him to take ownership of the staff,he conducted many interviews. you may recall that as late as may, you told him in my presence that he had had six months and had not hired anyone. since then I have rectified errors in sales tax, use tax, income tax, fbar reporting, 1031 reporting, 8 million of deductions. ,(last nov) 11 million found in dormant accounts and 4 million in the drawer. errors in cash flow both personal and Phaidon. Oversight on new grats first at 22 and then at 19 that were done without my consultation were resolved only as a result of my intervention. . 600 million in after tax savings was just accomplished.

With Brad out of the office and unable to run his usual interference, the level of his total and utter incompetence was brought clearly, front and center. He may be a step up from Eileen, but, if he is, then it is certainly not by much. A major difference is that Eileen knew she was over her head. Brad struts his stupidity whenever he gets a chance.

A critical example. - Though you and I have spent many many hours discussing the importance of care and attention to details and mechanics. with regard Phaidon I was not shown one single document, not one!! Brad wanted to keep it private between he, and his so called "advisors" however as he was out of the office during the most important transaction of the year, I did get to spend time with Joslin Joe and John, - the situation in your office is totally ludicrous - to summarize - the list I provided to Brad last December - of things I thought were a priority to get done - still remains in the whole unresolved.

The IT, is virtually untouched and is still in desperate need of a format - reporting flawed cumbersome and inaccurate. all done by hand as one-off exercises, when either you or Brad ask for it - airplane: restructure, (my only suggested priority in June) is really, no further ahead, consultants up the kazoo but nothing at all done. (the office was told by Brad not to share the outside proposals with me - Brad has no idea even as to what questions to ask. he knows little of finance, is bullshitted over by almost everyone in the office. a little man, using your power, to appear larger. Eileen was self aware enough to know she was over her head, that is a huge difference. bad info is rampant a simple emblematic example- 3 million in deductions I'm told were taken for art space but on closer examination it turns out they cannot be used at all. (ZERO benefit) though you will be told yes they were deducted on the return they said that is the only real question you were focused on! "were they deducted" not - "is there a benefit" !! I asked for the balance sheet and P and L for Regan Arts, a basic first step in order to check your financials. "sorry we never got one?" though 9.8 million invested, no p&l, nothing!, a construction project run amok, no budget, the COO fired after only 3 months., no clue. fyi artspace financials are also a total mess. (no receivables ??). when I asked for a list of what got done and did not, I received the email from Brad basically mind your own business. so much was promised. !!!

As in your words probably your closest friend and in order to turn the page. I hope the following to be constructive

Here is a list of things I think would be in your interest to get done asap .but definitely not by me .

I suggest you form new trusts., hire a high level tax partner. use your trading accounts as they remain a paramount requirement 16 months after I emailed you re their importance. THE Phaidon transaction papered and structured as contemplated DOES NOT WORK, its as simple as that. DOES NOT !! I suggest again that you re-do bank loans. no need to pay interest at higher rates on boat or plane. . as Richard is now no longer trustee. re- do will, make suydam executor, with Barry, and John as back up. pay 1 million a year for executor role. get rid of Judy Black trust, deal with gifts and their tax returns, . review amounts to kids at fixed ages. put more protections in for Alex and Victoria. , distribute some money to kids let them make decisions. , decide art division with children in attendance . have fire drill done on estate. fill out estate returns as if you and Debra died today, choose advisers - Rick Bronstein said the only 1040 he ever filled out was his own. Halperin has a conflict that

should be addressed., A strategy of the use of art should be implemented. . you have tax consultants it consultants. plane operation consultant. . boat consultants. architects, lighting , art, legal, . foundation , deal with TRA , BRH , rationalize investments. cash flow. reporting, gaming disclosures. foreign, gift. . prepare tax projections for 15 and 16, . deal with neg basis (tufts gain, debt financed. art partnership, pledges. sell stock , art, deal with phaidon debt. athene,? income , capital , foreign , exit, corporate, insurance regs, out and inbound issues, basis, appropriate discount rates. ? terminations. control. , qualified dividends. corporate tolls, inversion rules. , grat issues, short swing and other sec disclosures, I still think you might consider a Rothshcild bank transaction they have 150 b and a distribution network with no products , private bank Rockefeller Rothschild. financial service. deal with UK visa issue sooner rather than later. we can talk about Rowen request re Athene , complex 2 billion in taxes on transaction. ?!

the facts as i see them

in June and then again Sept, we both agreed to a 50% of phaidon payout., then only after weeks, when you delayed any detailed discussion of money wanting to give the issue a thoughtful response (which I fully understand) . you unilaterally changed our agreement. . 5m would be reserved for the future ? . and out of the remaining 15m ,? i would receive only a third. (note : I'm confident that both the debt , and the artspace investment will also lead to a write off of another 30 m. plus) In my dining room ,you were surprised when I said that i require most people to pay their advisory fee up front so that I am assured that I will be properly compensated for my work when strategies are implemented . you may recall that you appeared offended and said " are you suggesting that i would go back on my word " I said no , of course not ! you are my closest of friends ,but my experience is that when amounts get large, people tend to get unhappy when it actually comes time for them to pay

I included in this letter the email i sent to you on April 15, the day i was examining your returns It laid out my understanding of the compensation for a transaction of the magnitude to the penny of the one just completed. though the number was great it was clear. When it appeared that the details could now be worked out I was the first to say , it is too much money, however.

From day zero I proposed to discount to 50 - 60 million the fair price of the transaction just completed . including Phaidon. . though this amount was already substantially less than our agreed and negotiated formula. - I was never told that this was out of range. in fact, alternative methods of payment . plane, or an -in-kind payment were discussed (ie including keeping the 30m portion of fee outstanding till March) ,I provided as you specifically requested a detailed step by step execution plan and reviewed all documents that i was given access to. (Phaidon was not forthcoming) in order to make my many corrections . I was then told that Alans involvement warranted a discount . Even in the best of light , though it is beyond question that not one time in the three years of his retainer has he ever proposed a unique idea. (including any way to deal with the use issue on debras death ,or even the most basic review of your largest asset by far , the BRH agreement.) O.K. - lets say he made a contribution to the plan and stretch reality beyond the pale and say it was 50 % . though no one could posit such a large amount unless they were wearing a brightly colored clown suit. , the payment associated with the deal was known . It had both sent in writing and spoken about on the phone

numerous times , a detailed execution plan was provided . then and only then after all was laid out for the group I was told that after a number of conversations with brad karp that a total of only 20m would be paid , (and even that was more than originally contemplated) for both transactions . Leon I feel It was remarkably unfair. I wondered whether brad even knew of our prior agreement.? I called him and he said he was never told.?, I would ask that you I and Brad karp sit together if you think it would be helpful. . I would like to send him this email, with your consent of course. If the transactions were never consummated , i would not be owed a dime, however , the expected fee was known up front. , the detailed step by step plan was followed and overseen by me, the amount that I had requested before the transaction was even begun, and had already been heavily discounted, out of friendship, from our agreement . I believe the decision re only paying 20 m has frankly , left me felling quite uneasy.

since you asked since last nov. i found 11 million dollars in dormant accounts. 4 million dollars in eileens drawer. . went through cash flows for phaidon showing that john murphy is not an accountant. redid your gagosian contract , . organized structure in case of divorce. set up gift trust. stopped ada from including multiple times things not in your interest. dealt with bad sales tax use tax income tax . created 8 millino in deductions ,500k in mistakes , found bank of scotland fbar problems, . . reorg bad art purchases , funds taken, , charitable decisions , helped with financial statements, gaming commission. . boat deductions, rescued stock from grats. . may 1 after months of brad not finding anyone i sent an email saying you would have to pay more. . on april 15. I sent an email detailing payments owed if i could figure out the basis issue, please see attached, .

questions you might ask your team ask them to provide a balance sheet or p&l for REgan arts. . doesn't exist

ask . either wechsler or haperin to tell you what brh is, or how the tra works. . . ? as bronstein to tell you why the proposed phaidon transaction DOES not work. . ask them to give you a plan for the plane. ? ask them to show you the cash mgmt for over 100 million dollars. . ask them to show you the IT system progress after one year. separate from making it more secure though you are not a trader with inside info the approval process for payables. . the cash flow projections? assumptions? ask for a comparative review of investments. ask haperin to describe to you in any detail BRH , the major asset of his two biggest clients. tax basis, disposition in the estate. . etc. ask brad to show you the liquidation of the intervening art space cos? that has been on the table for months. .

Date: Wed, Jan 6, 2016 at 3:44 AM

Subject: Fwd:

To: Jeffrey Epstein <jeevacation@gmail.com>

PLEASE READ CAREFULLY ,

Mark was here this morning , the proposed transactions are extremely complex . and would take a great deal of detailed time. I do not know how, and if ,to move forward - our last transaction. a transaction which you saved 600 million in tax. even if as you say it could be 20 years away , (i hope

longer) discounted to today is a savings of 300 million . for some reason you chose to ignore our agreements , verbal written and emailed -and decided that it was only worth 8 million dollars to you. . (assuming phaidon -richard happens. the calculation that you can see is a 24 m savings not including artspace and debt benefits- certain to come later .. IMPORTANT NOTE

: the phaidon transaction as currently contemplated will not work . NOT CLOSE

When we had our meeting in your home in Bedford. You asked me for my help. I told you multiple times that i thought it was a very bad idea, in that I greatly preferred to have no financial interactions. I don't have many friends and didn't want money in any way to interfere with our unique relationship. Reminder , For five years you had the kind, but very goofy Eileen Alexandersson as the sole manager of your massive accounting , legal, investments. reporting, trusts etc. When I first told you in no uncertain terms that I firmly believed she was incompetent you admonished me for " speaking out of both sides of my mouth " . With regard Brad Wechsler , there has never been a " both sides. ". I have consistantly maintained since day one that he was highly unsuited for the job. When you initially asked me to help convince him to take the role , promising him a position to manage mirage investments I sent you a note saying that instead of hiring him you should pay up and get first class people. I have reiterated the same message for over a year now. . Brad , not me ,was tasked with hiring new people , according to his biz school org chart.(nauseating) and as you wanted him to take ownership of the staff,he conducted many interviews alone. . you may recall that as late as may, you told him in my presence that though six months had passed he had not hired anyone. since then I have rectified errors in sales tax, use tax, income tax, fbar reporting, 1031 reporting, 8 million of deductions missed errors of millions on the returns. a cashflow that is misleading helped prepare financial statements (april) Oversight on new grats- first at 22 and then at 19 that were done without my consultation and were "resolved " soley as a result of my last minute intervention. . 600 million in after tax savings was just accomplished. (BTW- for some reason you left the 30 million outstanding that I had said should only be done" if" that was my additional fee. and not used for non biz purposes and not art.

Sorry but ..

in June and then again Sept, we both agreed to a 50% of phaidon payout first projected at 20 . but less when artspace and debt taken out, - then only after weeks, when you delayed any detailed discussion of money wanting to give the issue a thoughtful response (which I fully understand) . you unilaterally changed our agreement. . 5m would be reserved for the future ? . and out of the remaining 15m,? i would receive only a third. (note : I'm confident that both the debt , and the art space investment will also lead to a write- off of another 30 m. plus) In my dining room ,you were surprised when I said that i require most people to pay their advisory fee up front so that I am assured that I will be properly compensated for my work when strategies are implemented . you may recall that you appeared offended and said " are you suggesting that i would go back on my word " I said no , of course not ! you are my closest of friends ,but my experience is that when amounts get large, people tend to get unhappy when it actually comes time for them to pay.

I include below the email i sent to you on April 15, the day i was examining your returns. It laid out my understanding of the compensation agreed for a transaction of the magnitude to the penny of the one just [completed](#).ie 600m. When it appeared that the transaction would and could go forward I was the first to point out that our agreement would cost you too much money, therefore

From day one I proposed to discount our agreement to a 50 - 60 million range. An extremely fair price for all the transactions just completed . including Phaidon. - I was never told that this was out of range. in fact, alternative methods of payment . ie my plane, or an -in-kind payment were discussed (ie including keeping the 30m portion of the fee outstanding till March),I provided , only because you specifically requested a detailed step by step execution plan and reviewed all documents that i was given access to. (Phaidon was never forthcoming) in order to make my many corrections . (as i said more needed on phaidon) . I was then told that Alans involvement warranted a discount . Even in the best of light , though it is beyond question that not one time in the three years of his retainer has he ever proposed a unique idea. (including any way to deal with the use issue on debras death ,or even the most basic review of your largest asset by far , the BRH agreement.) O.K. - lets say he made a contribution to the plan and stretch reality beyond the pale and say it was 50 %. though no one could posit such a large amount unless they were wearing a clown suit. , the payment and our formula of 37 percent associated with the deal was known . It had both sent in writing and spoken about on the phone numerous times , a detailed execution plan was provided . then and only then, after the entire transaction was laid out for the group to follow. You told me that after a number of conversations with brad karp that a total of only 20m would be paid , (and even that was more than you originally contemplated) for both transactions . Leon I feel it was remarkably unfair. Did brad even know of our prior agreements.? , I would ask that you I and Brad karp sit together if you think it would be helpful. . I would like to send him this email, with your consent of course. If the transactions were never consummated , i would not be owed a dime, however , the expected fee was known up front. , the detailed step by step plan was followed and overseen by me, the amount that I had requested before the transaction had even begun, had already been heavily discounted, out of friendship, . I believe the decision re only paying 20 m has frankly , left me felling quite uneasy. and colors the view about the Athene or Rothschild transaction.

Date: Wed, Jan 6, 2016 at 12:44 PM

Subject: Fwd:

To: Jeffrey Epstein <jeevacation@gmail.com>

PLEASE READ CAREFULLY ,

In the spirit in which it is sent. our friendship is intact and solid , though ,it has taken a hit.

Mark was here this morning , the proposed transactions are extremely complex . and would take a great deal of my detailed time. I do not know how, and even, if ,to move forward - . After months of hearing that you would have no problem paying a large fee if you could only ascertain value. The last transaction. a transaction which you saved over 600 million in tax. declared bullet proof by your attnys, and even if you want to disoccount for its future realization, creating a savings of over 300 million real dollars. For some reason you chose to ignore our agreements , verbal written and emailed -and at the very last minute , after the deal was complete decided that it was only worth 8 million dollars to you

and your family. . (assuming phaidon -richard happens. there is a 24 m savings not including artspace and debt write down benefits- certain to come later .. IMPORTANT NOTE

: the phaidon transaction as currently contemplated will not work . WILL NOT !!

When we had our meeting in your home in Bedford. You asked me for my help. I told you multiple times that i thought it was a very bad idea, in that I greatly preferred to have no financial interactions. I don't have many friends and didn't want money in any way to interfere with our unique relationship. Reminder , For five years you had the kind, but very goofy Eileen Alexandersson as the sole manager of your massive accounting , legal, investments. reporting, trusts etc. When I first told you in no uncertain terms that I firmly believed she was incompetent you admonished me for " speaking out of both sides of my mouth " . With regard Brad Wechsler , there has never been a " both sides. ". I have consistantly maintained since day one that he was highly unsuited for the job. When you initially asked me to help convince him to take the role , promising him a position to manage mirage investments I sent you a note saying that instead of hiring him you should pay up and get first class people. I have reiterated the same message for over a year now. . Brad , not me ,was tasked with hiring new people , according to his biz school org chart.(nauseating) and as you wanted him to take ownership of the staff,he conducted many interviews alone. . you may recall that as late as may, you told him in my presence that though six months had passed he had not hired anyone. since then I have rectified errors in sales tax, use tax, income tax, fbar reporting, 1031 reporting, 8 million of deductions missed errors of millions on the returns. a cashflow that is misleading helped prepare financial statements (april) Oversight on new grats- first at 22 and then at 19 that were done without my consultation and were "resolved " soley as a result of my last minute intervention. . 600 million in after tax savings was just accomplished. (BTW- for some reason you left the 30 million outstanding that I had said should only be done" if" that was my additional fee. and not used for non biz purposes and not art.

Sorry but .,

in June and then again Sept, we both agreed to a 50% of phaidon payout first projected at 20 . but less when artspace and debt taken out, - then only after weeks, when you delayed any detailed discussion of money wanting to give the issue a thoughtful response (which I fully understand) . you unilaterally changed our agreement. . 5m would be reserved for the future ? . and out of the remaining 15m ,? i would receive only a third. (note : I'm confident that both the debt , and the art space investment will also lead to a write- off of another 30 m. plus) In my dining room ,you were surprised when I said that i require most people to pay their advisory fee up front so that I am assured that I will be properly compensated for my work when strategies are implemented . you may recall that you appeared offended and said " are you suggesting that i would go back on my word " I said no , of course not ! you are my closest of friends ,but my experience is that when amounts get large, people tend to get unhappy when it actually comes time for them to pay.

I include below the email i sent to you on April 15, the day i was examining your returns It laid out my understanding of the compensation agreed for a transaction of the magnitude to the penny of the one

just [completed](#).ie 600m When it appeared that the transaction would and could go forward I was the first to point out that our agreement would cost you too much money, therefore

more details

From day one I proposed to discount our agreement to a 50 - 60 million range. An extremely fair price for all the transactions just completed . including Phaidon. - I was never told that this was out of range. in fact, alternative methods of payment . ie my plane, or an -in-kind payment were discussed (ie including keeping the 30m portion of the fee outstanding till March),I provided , only because you specifically requested a detailed step by step execution plan and reviewed all documents that i was given access to. (Phaidon was never forthcoming) in order to make my many corrections . (as i said more needed on phaidon). I was then told that Alans involvement warranted a discount . Even in the best of light , though it is beyond question that not one time in the three years of his retainer has he ever proposed a unique idea. (including any way to deal with the use issue on debras death ,or even the most basic review of your largest asset by far , the BRH agreement.) O.K. - lets say he made a contribution to the plan and stretch reality beyond the pale and say it was 50 % . though no one could posit such a large amount unless they were wearing a clown suit. , the payment and our formula of 37 percent associated with the deal was known . It had both sent in writing and spoken about on the phone numerous times , a detailed execution plan was provided . then and only then, after the entire transaction was laid out for the group to follow You told me that after a number of conversations with brad karp that a total of only 20m would be paid , (and even that was more than you originally contemplated) for both transactions . Leon I feel It was remarkably unfair. Did brad even knew of our prior agreements.? ? , I would ask that you I and Brad karp sit together if you think it would be helpful. . I would like to send him this email, with your consent of course. If the transactions were never consummated , i would not be owed a dime, however , the expected fee was known up front. , the detailed step by step plan was followed and overseen by me, the amount that I had requested before the transaction had even begun, had already been heavily discounted, out of friendship, . I believe the decision re only paying 20 m has frankly , left me felling quite uneasy. and colors the view about the Athene or Rothschild transaction.

Date: Fri, Jan 29, 2016 at 2:39 PM

Subject:

To: Melanie Spinella <[REDACTED]>

you've agreed that

Your office is a multi billion dollar responsibility. your children will inherit it , in order to oversee their financial lives- I feel for you, truly ,but the facts are the facts, your ceo (Brad) has provided one bad document after another for over a year , no getting away from it, , bad cash flows no new IT, each time with " its getting better " no in fact -! its not. - the excuse, that Brad is not the numbers guy, is ludicrous. of course he didnt actually prepare the statements. - no ceo would ,- but over and over he presented them to you and me , after , holding them back for his personal review multiple times and after multiple drafts. weeks of his editing, the consistant but "inexplicable "missing the

obvious serious errors . (gaming) inaccuracies, (cashflow) and mistakes (tax returns). why, ?! the simple answer is that at best, he is a c minus, (note. I, like you ,also give points for effort.)- ! an elegant art partnership gone fallow. ???!!I and its core reason to exist. not used ? no docs for plane?, still ! why? no docs for decantings why? the docs for deal 1 received last night , " no docs at all for deal 2, the biggest " . why wasn't Tom brought in , after 4 times of my incessant reminders i spoke to him , he knows little of either transaction except for over view. never saw phaidon anything except projections until yesterday ? ?and this after your clear admonition etc. re the trading accounts no activity, at all,

Barry Cohen is great. more like him please .

you asked , - I did my best trying to train your brad chosen people in the face of my telling you that they were never going to be more than c-minuses, thousands of emails thousands ? Brad at its head . you can't as a ceo, have an accountant give you multiple pages with the most important numbers missing altogether and not notice, you and I saw the errors right away ,as did my very junior bookkeeper after only a cursory glance. He told me he didnt know the details of his note? ! , my guess is that he wanted to pay less. no more than that, any other story is blather. its silly. Talk to richard yourself.

re your estate. Yes another Brad issue - your will, needs revision. the tenants in common structure I assume Alan has carefully walked you through. it is way overdue, needed and exciting. I won't list the more serious issues in an email but we can speak over the weekend.

How can I help? We agreed at the time when you hired Castrucci , that when you fired him, I would bear no responsibility because it was clear that he shouldnt be hired. brad and you both said ," its on us", but... the equivalent of your art consultant pointing to a picasso and calling it a renoir. then a brancusi and calling it a michaelangelo. those were the types of erros that i saw immediatily, you said give them more time. at least they saw it was a painting and not a photo?

being weaned of our biz /pay realtionship has been our mutual goal. However since novemebr, you chose to do so by ignoring' our agreement re, phaidon,and your oft stated commitment to me of large payments for large value, (37 percent was our number). chose to pay me a number picked by what appears to be only by whim,- have yet to justify it except for telling me that you and Brad Karp talked.. .

What should we do? the next two years in biz world appears to both you and I , very fragile. Im happy to have brad sit in ?

Date: Thu, Oct 15, 2015 at 10:38 PM

Subject:

To: Melanie Spinella <[REDACTED]>

Office, - ada goes. , hire heather a paralegal . Joslin goes or is closely managed by new cfo with tax experience. . castrucii goes asap.as he merely adds to mess.(too many people , ex 7 people or more to pay a bill) eva goes. outsource as much as possible. . bookkeeping systems built from scratch, airplane restructure, boat . same, new grats. phaidon sale , decide on artspace survivability, regan, . do the kids really want these?, children accounting ie bens house.etc. re do estate for new facts. redo loans, trading accounts activity, . gaming -foreign- disclosures. . BRH TRA re thinks . household and construction architects. . redone. art partnership , choice of paintings. . re do structure of consultants. tax re family office. . decide if investments are a realistic option in the next three years.. insurance. operations. airplane , etc. . art foundation , private . max charity contributions. financial reports. still waiting. ? on line banking, . tax planning, family office deductions (profit center) . airplane certificate, redone jet aviation redo. . paper gigi (E)trust to avoid gift tax. .

today is Oct 15

With your full knowledge I paid out 8 mil to my staff before june, . so i guess I can safely assume that after consideration of all the things I did for the entire past year separate and apart from your unique free "after care" concept. , what you thought was ultimately fair was the contribution of 5 million to a foundation and a total of 2 million dollars to me.

Date: Thu, Feb 4, 2016 at 10:01 PM

Subject:

To: Melanie Spinella <[REDACTED]>

josh's arrival cut short our needed conversation. I understand we have a difference of opinion. friends sometimes disagree, I shook on the 20 so you have no further obligation, none, I am willing to have brad karp hear both sides. as my view , you and i had an agreement. on phaidon /publishing, and then a long standing what you say is 28 , which is correct AFTer TAx. , 37 pre. . that was our numbers. I was clear what i thought the transactions were worth. far less than full. alan etc. , had you said i will pay you only 20 . i would have said ill pass. you never told me that 50-60 the number that i put on the table at the very beginning was not right. you asked that i lay out my plan step by step. and what i believe would have been the fair thing to do is say to me, I will pay you only 20 if you do as i ask, not tell me for the first time only after i laid it all out . had it not been you, i would have required payment in escrow. BEFORE fyi the reason I sent you an invoice so that if you decided that you wanted me to continue this year . it would be applied to last years income. I think today was a beginiing for you. I am glad I will meet wendy the 23, rd, . separate and aprt from being your sounding board for personal issues, I do not see my involvment moving forward.

Date: Wed, Feb 10, 2016 at 12:56 AM

Subject: Fwd:

To: Melanie Spinella <[REDACTED]>

this was sent four months ago, nothing has changed

sent oct 15. before big transaction.

Office, - ada goes. , hire heather a paralegal . Joslin goes or is closely managed by new cfo with tax experience. . castrucii goes [asap.as](#) he merely adds to mess.(too many people , ex 7 people or more to pay a bill) eva goes. outsource as much as possible. . bookkeeping systems built from scratch, airplane restructure, boat . same, new grats. phaidon sale , decide on artspace survivability, regan, . do the kids really want these? , children accounting ie bens house.etc. re do estate for new facts. redo loans, trading accounts activity, . gaming -foreign- disclosures. . BRH TRA re thinks . household and construction architects. . redone. art partnership , choice of paintings. . re do structure of consultants. tax re family office. . decide if investments are a realistic option in the next three years.. insurance. operations. airplane , etc. . art foundation , private . max charity contributions. financial reports. still waiting. ? on line banking, . tax planning, family office deductions (profit center) . airplane certificate, redone jet aviation redo. . paper gigi (E)trust to avoid gift tax. .

Date: Thu, Mar 3, 2016 at 3:31 AM

Subject: ask alan why he hasnt explained this to you since novmebr

To: Melanie Spinella <[REDACTED]>

Tenancy in common is a type of shared ownership of property, where each owner owns a share of the property. Unlike in a [joint tenancy](#), these shares can be of unequal size, and can be freely transferred to other owners both during life and via a will. Even if owners own unequal shares, however, all owners have the right to **occupy and use all of the property**.

Date: Sun, Mar 13, 2016 at 12:55 PM

Subject:

To: Melanie Spinella <[REDACTED]>

The fire drill documents received should be the final nail in the coffin of Alan and Ada, . It is inexcusable, , ludicrous and in brads words "insane "or yours, " unexplainable" that the two people that you refer to as your estate attnys , NEVER EVER took the time to actually read the documents that have the biggest effect on your family and estate upon death or disability, its impossible!!! IMPOSSIBLE . after telling me that they were confident that everything had been read , and after years , of you telling me that Im not an attorney, it is clear that my telling you that you have c quality people was over

generous, , I received a first draft of the summary of documents. you should read them for yourself. . executive committee issues. , unclear tax. contradictory provisions,your reps having to rely possibly on a fall back to delaware law to protect your interests, even suggesting that even if they would like to fall back , in some instances - no case law. other crazy- provisions that are personal to you , instead of you and your successor ? two pages of " open to interpretation" .or aha , maybe something is wrong! as ie, your rep, after death has no right for information on BRH? ! if you and another founder are dead , the exec committee has no decision authority, if josh and mark want to fuck your heirs, its easy, black family partner docs dont deal with succession! YOU deserve better . fyi, after a month of brad ada and alan ,on the project, still not willing to share with me a final, they are all embarassed. and full of excuses .

It will take wendy and a new team 6 to 9 months to put your house in order. , new cash flows. new accounting system, airplane rethought, , you new hires can find deals , they can familiarize themselves with your current investments , but should not be doing the accounting for them, .

your will is still not amended, ?! the tenants in common not even explained to you. if something happens to you and debra, no real direction for the foundation. . etc

--

Date: Mon, Mar 21, 2016 at 4:17 AM

Subject:

To: Melanie Spinella <[REDACTED]>

glad to see you are personally on the mend - as well as the fence. -- As you know i dread money discussions with you-- however -we should address the issue of what you would like to do moving forward. re- do family office, accounting trusts , estate and apollo agreements . Along with your " payment " last year we agreed . no further obligations on each side. yes, i continued to moan. I realize that though I ve done quite a lot this year already , it is not your responsibility. . As you often like to remind me- you've paid a great deal of money to date. that being said - If you want my involvement moving foward, I suggest you pay my regular l fee of 40 m . 20 now . 20 on completion or as per the invoice issues at the end of last year pay 30 all at once. -

To help out . im keenly aware of your current cash position. so I will consider an in-kind payment - real estate (Miami), ,art , financing of my new plane (allows you to spread over years or of course the preferred cash. Get rid of Castrucci,it is over a year since the same story of findign the right guy at

the top. you entire accounting needs to be re done. , office downsized, reporting re done. meetings to recitify, categorize , the various docs re appollo , rowen , suydam, alan etc. Brad can direct investment guys, (hopefully) my people will be in your office for a few months . reorganizing IF you decide not to pay I fully understand, as I m sure you will re my no longer spending any serious time on these things.

Of course re any non financial issues , I am always there for you and will continue to be the best friend I can be .

Steve jobs said that everyday he woke up , and asked himself , if he knew he was going to die tomorrow , would he do the same thing that he had planned for the day- he wanted to check that he was doing things that he really wanted to. after three days of getting back an answer of no, he would change what he was going to do. . he also did not believe in LONG term plans. I dont think either one of us will figure out what we want to do long term so my thinking is that we should try to have fun everyday, and welcome serendipity.

I think another trust and estate lawyer should be brought in to deal with the issues of how not to allow your family to get screwed by your partners on death . Alan, for years told me that paul weiss had drawn the docs so no issue but when recently pushed by my new fire drill he asked akin to draft .?! PLease ask brad about why he keeps talking about flow . I dont know what he means, its so silly . . this is only about money control and protection .

I am leaving monday night now. free to speak in the afternoon

Date: Thu, Apr 28, 2016 at 1:55 PM

Subject:

To: Melanie Spinella <[REDACTED]>

Lets start. I am aware that you are currently angry at the world. . me, karp wechsler. even yourself, all willing absorbers of the current high heat. (though you ,calling me ,Debra , did take away some of the sting) I am sorry to see you this way.

emblematic ; I was asked to opine on whether to hire castrucci. an hour after I gave a preliminary yes. . I called you then texted you that i had thought more about it and changed my mind. The next day brad called and asked for my vote. I told him ,in no uncertain terms it is a no , I categorically vote no. I called you . you came to see me . I said it was a bad idea. you said you were going to do it anyway , I said and followed up in writing IT IS A MISTAKE . and added Please don't come back to me with anything suggesting otherwise , you and I should be clear I think it is wrong . A very strong NO . you of course can hire whomever you like.

early on I told you I thought Tom remarkably careless . Eileen goofy and your art lawyer not well informed to say the least. you told me Tom was a senior partner. Eileen had headed the trading desk , and Ralph Lerner had to know what he was doing as he wrote the book. . I said I thought you deserved better ,should get better people and no , I am not an HR person. yesterday you told me that the reason

you have hired whomver you could find was to avoid being dependent on me. a decision by far , not the best place to try to save money)

Joslin- who you say I hired . I neither found nor hired. With a two person given choice I approved joslin over some woman that eileen preferred. against my repeated advice you and eileen decided the pay range at under 300k . I told you at that time that I would personally pay the difference for a higher quality person, that was years ago . I have sent over a hundred emails to you clearly saying he needs to be closely managed by better professionals. initially , that referred to Eillen and Ada.and after, brad. john etc. There are many emails each and every month from me, telling you , he is slipping failing cracking fragile. . crazy, nuts, heading towards incompetence. Unless YOU- TAKE ACTION! when I pressured him for accurate numbers , you told him, to tell me, that he works for you and NOT for me. . When I continued to press for accuracy from your office , you told me that they were now all afraid of me and i should let brad communicate any requests, (you now tell me " we know what Brad is"?). When I told you you office needs to be reviewed and changed you told me i was being destructive rather than constructive. when i ultimately confronted joslin, in an attempt to protect you, told him that his numbers were wildly inaccurate , you told me that i had caused his ultimate resignation and now have an affirmative obligation to fill in the resultant gap.

I did give you a bad number , and apologized as soon as i realized it. an error that was an embarrassment for me , the fact that that the accurate number is still way below what you agreed to pay , has fallen by the wayside.(the preposterous argument that the end of year transaction was Alans idea , which you now know was not true and that me not receiving Phaidon documents was unexplainable. was your justification though, for non - full payment)

Hopefully You will recall that when you initially asked for my help. I declined repeatedly with the admonition that that having a financial arrangement is fraught with danger and could complicate our friendship (as you will be unhappy paying what you will view as a large sum. while choosing to ignore the financial benefits,). In Bedford , I repeated my concern. THE current circumstance is distressing to me , I have done my utmost to keep you safe. and will continue to do so. reckless choices in accounting or otherwise does not bode well. at each turn I have put your interests first , including in some instances attempting to fight your choices.

your current circumstance needs nuanced attention. as you know, there are a few areas with very serious consequences. whether it be , having Ada , form grats without review, brad doing phaidon without review. payments make without review.merely in order to be weaned , is one more high risk choice. review of outside accounting firms , CANNOT be done by brad. to have your accounting dept sit in on Alans trust accounting lecture . in order to learn the filed is reminiscent of elieen reading the tax regs. (she also was going to take a course)

I am here in New York today. should you like to resume

Date: Mon, May 2, 2016 at 12:51 AM

Subject: Fwd: Valuation Discount

To: Melanie Spinella <[REDACTED]>

Leon please read the attached proposed response to the IRS , see if you can understand it !!! . Ive asked for a re-do. and given preliminary directions to Alan to have it edited over the weekend

. If you are quarterbacking ,ok with me. just please let everyone know. you must deal with the outrageous incompetence in your family office .. Alans words " but I was told that.. , but I was told by the office (sic) that ... , BUT i was told by joslin,. , but I was told by . " why is leon blaming me for .." . I ve have always given you my best advice, If you reflect on your financial life , you have been kept safe , had remarkable results and no disasters. I have repeatedly urged you to get rid of the people in your office. , you have repeatedly chosen to ignore my advice , you told me last week that the emotional reason was in order to be weaned off my group and not have to pay my high fees. (though ignoring the benefit of between 1.5 and 2b to the better.) . and no explosions. You have email after email ,where i remind you that I am not your bookkeeper or accountant (in brads corporate speak his" finance dept ???!) that it should be redone .I have reviewed a multitude of the silly reports given to you and have pointed out the continued numerous inaccuracies . your question " so what if the numbers are off , so what if the categories are off. whats the big deal??. I suggest you de risk you finances and make the tough decisions necessary - pay the right amounts (high) to get the work done properly or , you are , Im afraid, certain to get an unhappy answer.. tom will be back from vacation. this week.

----- Forwarded message -----

From: **Halperin, Alan S** <[REDACTED]>

Date: Thu, Apr 28, 2016 at 5:16 PM

Subject: Valuation Discount

To: "jeffrey E." <jeevacation@gmail.com>

I am attaching a draft response from Empire Valuation as to why it arrived at a valuation discount on the low end. Let's discuss the response and next steps. Thanks. Alan

Date: Tue, May 10, 2016 at 12:38 AM

Subject:

To: Thomas Turrin <[REDACTED]>

did you get the agent?

Date: Wed, May 11, 2016 at 1:50 PM

Subject:

To: Brad Wechsler <[REDACTED]>, Melanie Spinella <[REDACTED]>

grats 3,4, 5, 6, also need accounting documents and backup. year 2014. other info request to follow

Date: Wed, May 11, 2016 at 2:19 PM

Subject: Re:

To: "[REDACTED]" <[REDACTED]>, "[REDACTED]" <[REDACTED]>

A couple of questions:

1. Jeffrey-you saw the format in which we organized the back-up for year one of grat 1 (quite thick/alot of back-up).

Does that format work (for you and internal use) or do you want it simplified/modified. Let's discuss.

2. Since this will take the focus and effort of a lot of people (just to pull and organize the various records...both legal and accting, I'd like to tell the staff that we are answering an "information request" from the irs on the grats. It will generally be helpful for them to know why the work is impt.

You and leon ok with this?

Will call you to discuss.

Date: Thu, May 12, 2016 at 12:17 PM

Subject: tight schedule lets try a set time to speak

To: Melanie Spinella <[REDACTED]>

Leon, you hired me to produce a work of art. it was not inexpensive. the value far exceeds any other piece in your collection.- by FAR . It took me 30 years to be able to craft such a work. I understand your desire to modify my work, in doing so you have brad telling me , just a bit more red., here let me show you, you yourself pick up a brush a add some strokes. you have joslin spray water on it to maintain it. I vigorously complain that joslin in ruining my work . . you describe me as zeus, i describe

it as artist and a reaction to his work being ruined. however Im aware that you own the work and you have the right to paint over it. tear it up , put it in the closet in the basement . its yours.

I was told that Toms office is sending someone in ,or some people in, to review "some things." brad told me ,the partnership accounting. I know absolutely nothing more than that. though bringing in his team was my idea . Having them review things without even asking for my input , or let alone my direction ,is ridiculous. but.. I guess you wanted to save money. ?

The audit has brought to the fore the lack of your office quality that i have been violently squawking about. ie . children playing with works of art. . It is inconceivable to me that John castrucci is still there , joslin part time, but relied on . joe error prone and brad a corporate bandleader talking about the office's finance team, accounting dept, and directing wendy to do things that are clearly not in your interest. (saving money again ?) its nuts!! . a still non-existent IT dept. impossible , it was the first thing on my list of things that were needed to be done. Still no trading accounts to speak of , though its prophylactic quality has been discussed over and over during the past three years . computers do not read Page Six . the women at the IRS do. ! you said your motivation in keeping this group of part timers was a consequence of the high cost of my artwork. . the unfortunate result was easily predictable. - now

If you want my and my atelier to continue, I will oversee the audits. take charge of the TRA BRH assignments and review 2012 amendment options!!(note :your redo of the estate fire drill has not progressed very far). Lots of paper needs to be collected and reviewed, At MY direction. the outside team will be brought in at my expense working for me and you. coming in for interviews and reviews, . sucession, technology, tax and compliance. investment reporting , , computerized timelines for filings etc. . household classifications and reporting with a system of best practices.

My goal is clear - to end, not extend , our financial interactions. you will have a machine that works , it will not be complex to oversee , to create it, is some thing else . Unfortunatley for us both, the price for my works has not changed since day one. 40m per year, I m willing to discount it to 35 as I did give you a bad number when asked and should pay an embarassment fine. Im also aware, as you made perfectly clear . that you have already paid what you consider a great deal of money, for my work , but again its value exceeds anything else by far in your collection at a cost less than agreed upon. . please also remember that you and i agreed no more demands on my time after the last payment for the big transaction.

OR, you can decide that brad , tom , and whomever else you choose can screw with my work and they can oversee your audits . they are both aware and sensitive to the issue at hand. alan could be brought in but i would be extra careful having paul weiss given access to entire story.

_ -On an unrelated note- you recently seemed shy to discuss certain things. , please be assured I make no judgement on any of your activities , whether or not i agree with them . not my role I am always on your side on the table. I hope your personal life quiets. you 've had a rough 15 months.

11:21 PM (13 hours ago)

to me

Jeffrey,

I created applications one week ago at NDCAS (doctor of naturopathic medicine centralized application service) and VMCAS (veterinary medical college application service) ,working on my application material , requesting evaluations letters and etc.

On Tuesday I am going to the job interview, working on my resume today .

P.s.- I hope I will get finally the results from Chinese proficiency exam today /tomorrow.

On Sat, 7 Apr 2018 at 07:54, jeffrey E. <jeevacation@gmail.com> wrote:

no concrete progress. for a year. sorry, it cannot go on this way

Date: Wed, Jun 1, 2016 at 5:41 PM

Subject:

To: Melanie Spinella <[REDACTED]>

As i said yesterday, pointing out places where i think my friend might be taking unnecessary risks has become tedious and trying. Structures that have been set up 2 years ago. were done so to give you protection and flexibility, NOT FOR ME< for YOU they required hiring staff that could manage these complex entities. you told me over the past two years that as i set them up i should be responsible for their operation. That was never the deal ,never. I have heard after -care etc for quite a while. in dec when you unilaterally decided to pay me much less than our agreed amount , we agreed NO MORE money discussions NO MORE after care. The silliness has reached its pinnacle when you suggest i am responsible for the lack of sophistication and thoughtfulness of the 1031 transactions that NO one even told me about. asked my advice or gave me any notice at all before the fact. same as the structure for the Calif house. I would remind you , though Heather is great, it was not she that modified the gagosian contract to give you the protection that resulted in your having no liability, though you tell me she has done these things many times.

3. Remind me to talk to you about MR

Date: Tue, Nov 15, 2016 at 6:13 AM

Subject: Fwd:

To: Melanie Spinella <[REDACTED]>

Leon, Congragulations on biting the bullet. at least 18 months late , but I m encouraged and glad for you. When you interviewed Brad two years ago you asked that i not tell him what a disaster lay before him. what would you like me to tell Barry?

There is a HUGE amount of work to be done in the next 9 -12 months. mostly the exact same work that i outlined in my email of 2 years ago. now complicated by years of mess on top. (you can send it again if you like) . Brad wechsler was never up to the task . sorry, I realize I have been saying the very same thing for a long time. he was a not a step up from Eileen but a step sideways. in the beginning there was Eileen and Tom and Ralph Lerner. all your hand picks. then brad. john, Joe. . joslin was chosen from a pool of 2 people. each that would be limited by a salary of 250k. (yes i personally augmented his comp in order to get him) I did say hire both Lisa to do the bookkeeping and joslin tax, He complained for over a year , re his direction by eileen and ada , and then brad. His breakdown was not a surprise after months and moths of warnings. Though disabled, he ran your office this year. with john and joe. He ran amok, and as i told you he rarely failed to remind me in our conversations that you told him that he works for you and not for me and that brad needs to pays him .

. Asking me who to hire , estate attny tax people etc. :

I have taken heat for years over the fact that i gave you no more than carlyns name, . no follow up questions no interactions , not even one single question asked of me re her work. (that was Eileen) but somehow carlyns fuck up was my doing. . when i told you that i thought Eileen wasn't up to the task, you bellowed that i was talking out of both sides of my mouth. . You told me this year , that by trying to protect you from crazy joslin, I had in essence fired him and it was my responsibility to do his work. it then turns out that he didn't consider himself fired at all he just received less money. and continued to make a really dangerous mess. . Joshn castrucci, in your eyes , was also my doing , though email after email said , I take no responsibility for him, and iYOU SHOULD NOT HIRE HIM .!!! , , your response was that was my opinion was only because i didn't trust him. then to add insult to injury last jan you told me he was gone. however he too is still there, and a waste of money and space.

My time is complicated by Donald's potentially eviscerating any reason for anyone to use the foreign funds repatriation plan that i had put together. . however as you are aware I have some decisions to make re my time allocation in the next year or two. so at least for a few weeks I am unable to commit much time and make any future plans to guide you in the redoing of your procrastination produced mess.

That being said , the tasks at hand are the following.

You have a bomb of colored string that your retarded children have formed , It has to be very carefully unwound , even the substitution of Barry for your next trustee, needs a careful focus on procedure.s It would be much preferable if Wechsler was not his replacement. do you have any person you trust ??? . I am concerned re brad taking barrys place re XXXX. In the beginning Barry will need to find and learn ACCURATE . org charts. books , balance sheets . trust valuations. are all a part. Barry will need 2 months to just get his arm around what is there , this is before any needed modifications.,

a way overdue re- fresh of your estate plan . . clats , trust. partnerships. grats. lics. bank accounts , filing requirements. etc. the long awaited review of the brh tra and shareholders agreement to see how they fit into new plan. . " XXXXX" planning. art partnership engagement .. , airplane re-do. , buying another. . ? boat sale , Miami sale. . TRADING ACCOUNTS. . three years over due. . an accounting system. fire john .. joslin stays for a year. or so. so does tom and . except for heather everyone should be replaced with new. . Sell Artspace and shut down regan arts. .

rationalize. cash flow reporting. cash mgmt. stock sales. sec irs. gaming. foreign reporting. the 8865 mess will take months to review now . . you CANNOT file unreviewed audited documents. . CANNOT!!! this will be very detailed work. . a self inflicted wound - all avoidable if professionals had been in place to limit . or contain it. . . you will need 3 new hires .as there is no one in your office that is truly an A player. I have great hope in Barry as you know. He will need to be trained. note

; One year is my guesstimate After 4 years of telling you , that you could do better than Halperin, : im glad that you now are willing to follow barrys advice . I take no offense , in fact I take comfort in the fact that after only one conversation with Barry you are now convinced to make that change . will take a year or more.

I expect as a friend you will understand that

I will no longer , not even for one day , work on your affairs . without the compensation that is long overdue. . your unilateral idea of after care , not imposed on any other professional , except me, not paul weiss ,(caesars alone , a direct screw up on their part) tom, akin, , no one. needs to end. . you and I had previously agreed no more of that , and this after you decided not to pay me per our agreement. to be fair I can not say im surprised as you have email after email , stating that , if you save a great deal of money, you wont want to pay , so limit it to 40m per year. - water under the bridge

If I can find the time to work , on your project , which is not by any means certain as I have said , I hope you understand that it now will have to be under my standard terms and conditions. and well documented so as to avoid any more of the he said she said. I never want to have any more uncomfortable money moments with you , I find it very distasteful. . so to be clear , my terms are as follows . I will only work for the usual 40 million per year. It needs to be paid, 25 million upon signing an agreement . 5 million every 2 months thereafter for 6 months ie march may june . this can begin if i am able in January. I will immediately stop work , if the payment is not received. If you want me to work this year until Jan 15 , it will be 10 million. paid upfront. after one year you will be left with a new estate plan a running office. staffed with professionals overseen by Barry. (hallelujah) a tax plan . and an investment that returns more than any painting you could possible own. . no agreement - no work. however - I of course will talk to Barry for the hour that i promised , and take your guidance as to what I should say.

11:45 PM (13 hours ago)

to me

T

im in paris now

Date: Sun, May 1, 2016 at 6:51 PM

Subject: Fwd: Valuation Discount

To: Melanie Spinella <[REDACTED]>

Leon please read the attached proposed response to the IRS , see if you can understand it !!! . Ive asked for a re-do. and given preliminary directions to Alan to have it edited over the weekend

. If you are quarterbacking ,ok with me. just please let everyone know. you must deal with the outrageous incompetence in your family office .. Alans words " but I was told that.. , but I was told by the office (sic) that ... , BUT i was told by joslin,. , but I was told by . " why is leon blaming me for .." . I ve have always given you my best advice, If you reflect on your financial life , you have been kept safe , had remarkable results and no disasters. I have repeatedly urged you to get rid of the people in your office. , you have repeatedly chosen to ignore my advice , you told me last week that the emotional reason was in order to be weaned off my group and not have to pay my high fees. (though ignoring the benefit of between 1.5 and 2b to the better.) . and no explosions. You have email after email ,where i remind you that I am not your bookkeeper or accountant (in brads corporate speak his" finance dept ???!) that it should be redone .I have reviewed a multitude of the silly reports given to you and have pointed out the continued numerous inaccuracies . your question " so what if the numbers are off , so what if the categories are off. whats the big deal??. I suggest you de risk you finances and make the tough decisions necessary - pay the right amounts (high) to get the work done properly or , you are , Im afraid, certain to get an unhappy answer.. tom will be back from vacation. this week.

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Subject: Valuation Discount

To: "jeffrey E." <jeevacation@gmail.com>

I am attaching a draft response from Empire Valuation as to why it arrived at a valuation discount on the low end. Let's discuss the response and next steps. Thanks. Alan

Alan S. Halperin | Partner

Paul, Weiss, Rifkind, Wharton & Garrison LLP

[1285 Avenue of the Americas | New York, NY 10019-6064](#)

(10 hours ago)

to me

Jeffrey

Pete informs the GIV is completed,.

Thx,

Larry

Date: Tue, Nov 15, 2016 at 6:13 AM

Subject: Fwd:

To: Melanie Spinella <[REDACTED]>

Leon, Congragulations on biting the bullet. at least 18 months late , but I m encouraged and glad for you. When you interviewed Brad two years ago you asked that i not tell him what a disaster lay before him. what would you like me to tell Barry?

There is a HUGE amount of work to be done in the next 9 -12 months. mostly the exact same work that i outlined in my email of 2 years ago. now complicated by years of mess on top. (you can send it again if you like). Brad wechsler was never up to the task . sorry, I realize I have been saying the very same thing for a long time. he was a not a step up from Eileen but a step sideways. in the beginning there was Eileen and Tom and Ralph Lerner. all your hand picks. then brad. john, Joe. . joslin was chosen from a pool of 2 people. each that would be limited by a salary of 250k. (yes i personally augmented his comp in order to get him) I did say hire both Lisa to do the bookkeeping and joslin tax, He complained for over a year , re his direction by eileen and ada , and then brad. His breakdown was not a surprise after months and moths of warnings. Though disabled, he ran your office this year. with john and joe. He ran amok, and as i told you he rarely failed to remind me in our conversations that you told him that he works for you and not for me and that brad needs to pays him .

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decisions to make re my time allocation in the next year or two. so at least for a few weeks I am unable to commit much time and make any future plans to guide you in the redoing of your procrastination produced mess.

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a way overdue re- fresh of your estate plan . . clats, trust. partnerships. grats. llcs. bank accounts, filing requirements. etc. the long awaited review of the brh tra and shareholders agreement to see how they fit into new plan. . "XXXXX" planning. art partnership engagement .., airplane re-do., buying another. .? boat sale, Miami sale. . TRADING ACCOUNTS. . three years over due. . an accounting system. fire john .. joslin stays for a year. or so. so does tom and . except for heather everyone should be replaced with new. . Sell Artspace and shut down regan arts. . rationalize. cash flow reporting. cash mgmt. stock sales. sec irs. gaming. foreign reporting. the 8865 mess will take months to review now . . you CANNOT file unreviewed audited documents. . CANNOT!!! this will be very detailed work. . a self inflicted wound - all avoidable if professionals had been in place to limit . or contain it. . . you will need 3 new hires .a s there is no one in your office that is truly an A player. I have great hope in Barry as you know. He will need to be trained. note

; One year is my guesstimate After 4 years of telling you, that you could do better than Halperin, : im glad that you now are willing to follow barrys advice . I take no offense, in fact I take comfort in the fact that after only one conversation with Barry you are now convinced to make that change . will take a year or more.

I expect as a friend you will understand that

I will no longer, not even for one day, work on your affairs . without the compensation that is long overdue. . your unilateral idea of after care, not imposed on any other professional, except me, not paul weiss ,(caesars alone, a direct screw up on their part) tom, akin, , no one. needs to end. . you and I had previously agreed no more of that, and this after you decided not to pay me per our agreement. to be fair I can not say im surprised as you have email after email, stating that, if you save a great deal of money, you wont want to pay, so limit it to 40m per year. - water under the bridge

If I can find the time to work, on your project, which is not by any means certain as I have said, I hope you understand that it now will have to be under my standard terms and conditions. and well documented so as to avoid any more of the he said she said. I never want to have any more uncomfortable money moments with you, I find it very distasteful. . so to be clear, my terms are as follows . I will only work for the usual 40 million per year. It needs to be paid, 25 million upon signing an agreement . 5 million every 2 months thereafter for 6 months ie march may june . this can begin if i am able in January. I will immediately stop work, if the payment is not received. If you want

me to work this year until Jan 15 , it will be 10 million. paid upfront. after one year you will be left with a new estate plan a running office. staffed with professionals overseen by Barry. (hallelujah) a tax plan . and an investment that returns more than any painting you could possible own. . no agreement - no work. however - I of course will talk to Barry for the hour that i promised , and take your guidance as to what I should say.

1On Apr 6, 2018, at 11:15 AM, Jeskewitz, Jeannine <[REDACTED]> wrote:

[REDACTED] in touch with [REDACTED] and [REDACTED], we will work together on these reservations.

All my best,
Jeannine

On Tue, Apr 3, 2018 at 5:43 PM, Lisa Emelia Svensson <[REDACTED]> wrote:

Air France has a strejk ... so French

Trying to rebook later in the week Will let you know

3 apr. 2018 kl. 16:29 skrev jeffrey E. <jeevacation@gmail.com>:

im in paris now

Date: Tue, Nov 15, 2016 at 6:13 AM

Subject: Fwd:

To: Melanie Spinella <[REDACTED]>

Leon, Congragulations on biting the bullet. at least 18 months late , but I m encouraged and glad for you. When you interviewed Brad two years ago you asked that i not tell him what a disaster lay before him. what would you like me to tell Barry?

There is a HUGE amount of work to be done in the next 9 -12 months. mostly the exact same work that i outlined in my email of 2 years ago. now complicated by years of mess on top. (you can send it again if you like) . Brad wechsler was never up to the task . sorry, I realize I have been saying the very same thing for a long time. he was a not a step up from Eileen but a step sideways. in the beginning there was Eileen and Tom and Ralph Lerner. all your hand picks. then brad. john, Joe. . joslin was chosen from a pool of 2 people. each that would be limited by a salary of 250k. (yes i personally augmented his comp in order to get him) I did say hire both Lisa to do the bookkeeping and

joslin tax, He complained for over a year, re his direction by eileen and ada, and then brad. His breakdown was not a surprise after months and months of warnings. Though disabled, he ran your office this year with john and joe. He ran amok, and as i told you he rarely failed to remind me in our conversations that you told him that he works for you and not for me and that brad needs to pay him.

. Asking me who to hire, estate attny tax people etc. :

I have taken heat for years over the fact that i gave you no more than carlyns name, no follow up questions no interactions, not even one single question asked of me re her work. (that was Eileen) but somehow carlyns fuck up was my doing. when i told you that i thought Eileen wasn't up to the task, you bellowed that i was talking out of both sides of my mouth. You told me this year, that by trying to protect you from crazy joslin, I had in essence fired him and it was my responsibility to do his work. it then turns out that he didn't consider himself fired at all he just received less money. and continued to make a really dangerous mess. Joshn castrucci, in your eyes, was also my doing, though email after email said, I take no responsibility for him, and YOU SHOULD NOT HIRE HIM !!!, your response was that was my opinion was only because i didn't trust him. then to add insult to injury last jan you told me he was gone. however he too is still there, and a waste of money and space.

My time is complicated by Donald's potentially eviscerating any reason for anyone to use the foreign funds repatriation plan that i had put together. however as you are aware I have some decisions to make re my time allocation in the next year or two. so at least for a few weeks I am unable to commit much time and make any future plans to guide you in the redoing of your procrastination produced mess.

That being said, the tasks at hand are the following.

You have a bomb of colored string that your retarded children have formed, It has to be very carefully unwound, even the substitution of Barry for your next trustee, needs a careful focus on procedure.s It would be much preferable if Wechsler was not his replacement. do you have any person you trust ??? I am concerned re brad taking barrys place re XXXX. In the beginning Barry will need to find and learn ACCURATE org charts, books, balance sheets, trust valuations, are all a part. Barry will need 2 months to just get his arm around what is there, this is before any needed modifications.,

a way overdue re-fresh of your estate plan. clats, trust, partnerships, grats, llcs, bank accounts, filing requirements, etc. the long awaited review of the brh tra and shareholders agreement to see how they fit into new plan. "XXXXX" planning, art partnership engagement, airplane re-do, buying another, boat sale, Miami sale, TRADING ACCOUNTS, three years over due, an accounting system, fire john, joslin stays for a year, or so, so does tom, except for heather everyone should be replaced with new. Sell Artspace and shut down regan arts, rationalize, cash flow reporting, cash mgmt, stock sales, sec irs, gaming, foreign reporting, the 8865 mess will take months to review now, you CANNOT file unreviewed audited documents, CANNOT!!! this will be very detailed work, a self inflicted wound - all avoidable if professionals had been in place to limit, or contain it, you will need 3 new hires as there is no one in your office that is truly an A player. I have great hope in Barry as you know. He will need to be trained, note

; One year is my guesstimate After 4 years of telling you , that you could do better than Halperin, : im glad that you now are willing to follow Barry's advice . I take no offense , in fact I take comfort in the fact that after only one conversation with Barry you are now convinced to make that change . will take a year or more.

I expect as a friend you will understand that

I will no longer , not even for one day , work on your affairs . without the compensation that is long overdue. . your unilateral idea of after care , not imposed on any other professional , except me, not Paul Weiss ,(Caesar's alone , a direct screw up on their part) Tom, Akin, , no one. needs to end. . you and I had previously agreed no more of that , and this after you decided not to pay me per our agreement. to be fair I can not say im surprised as you have email after email , stating that , if you save a great deal of money, you wont want to pay , so limit it to 40m per year. - water under the bridge

If I can find the time to work , on your project , which is not by any means certain as I have said , I hope you understand that it now will have to be under my standard terms and conditions. and well documented so as to avoid any more of the he said she said. I never want to have any more uncomfortable money moments with you , I find it very distasteful. . so to be clear , my terms are as follows . I will only work for the usual 40 million per year. It needs to be paid, 25 million upon signing an agreement . 5 million every 2 months thereafter for 6 months ie March May June . this can begin if i am able in January. I will immediately stop work , if the payment is not received. If you want me to work this year until Jan 15 , it will be 10 million. paid upfront. after one year you will be left with a new estate plan a running office. staffed with professionals overseen by Barry. (hallelujah) a tax plan . and an investment that returns more than any painting you could possibly own. . no agreement - no work. however - I of course will talk to Barry for the hour that i promised , and take your guidance as to what I should say.

Date: Mon, Aug 29, 2016 at 1:41 PM

Subject: I know you have a lot on your mind.but..

To: Melanie Spinella <[REDACTED]>

sent to you JAN 29th 2016

you've agreed that

Your office is a multi billion dollar responsibility. your children will inherit it , in order to oversee their financial lives- I feel for you, truly ,but the facts are the facts, your ceo (Brad) has provided one bad document after another for over a year , no getting away from it , bad cash flows no new IT, each time with " its getting better " no in fact -! its not. - the excuse, that Brad is not the numbers guy, is ludicrous. of course he didnt actually prepare the statements. - no ceo would ,- but over and over he presented them to you and me , after , holding them back for his personal review multiple times and after multiple drafts. weeks of his editing, the consistant but "inexplicable "missing the

obvious serious errors . (gaming) inaccuracies, (cashflow) and mistakes (tax returns). why, ?! the simple answer is that at best, he is a c minus, (note. I, like you ,also give points for effort.)- ! an elegant art partnership gone fallow. ???!!I and its core reason to exist. not used ? no docs for plane?, still ! why? no docs for decantings why? the docs for deal 1 received last night , " no docs at all for deal 2, the biggest " . why wasn't Tom brought in , after 4 times of my incessant reminders your admonition etc. the trading accounts ?

Barry Cohen is great. more like him please .

you asked , - I did my best trying to train your brad chosen people in the face of my telling you that they were never going to be more than c-minuses, thousands of emails thousands ? Brad at its head . you can't as a ceo, have an accountant give you multiple pages with the most important numbers missing altogether and not notice, you and I saw the errors right away ,as did my very junior bookkeeper after only a cursory glance. He told me he didnt know the details of his note? ! , my guess is that he wanted to pay less. no more than that, any other story is blather. its silly. Talk to richard yourself.

re your estate. Yes another Brad issue - your will, needs revision. the tenants in common structure I assume Alan has carefully walked you through. it is way overdue, needed and exciting. I won't list the more serious issues in an email but we can speak over the weekend.

How can I help? We agreed at the time when you hired Castrucci , that when you fired him, I would bear no responsibility

Date: Thu, May 12, 2016 at 6:17 AM

Subject: tight schedule lets try a set time to speak

To: Melanie Spinella <[REDACTED]>

Leon, you hired me to produce a work of art. it was not inexpensive. the value far exceeds any other piece in your collection.- by FAR . It took me 30 years to be able to craft such a work. I understand your desire to modify my work, in doing so you have brad telling me , just a bit more red., here let me show you, you yourself pick up a brush a add some strokes. you have joslin spray water on it to maintain it. I vigorously complain that joslin in ruining my work . . you describe me as zeus, i describe it as artist and a reaction to his work being ruined. however Im aware that you own the work and you have the right to paint over it. tear it up , put it in the closet in the basement . its yours.

I was told that Toms office is sending someone in ,or some people in, to review "some things." brad told me ,the partnership accounting. I know absolutely nothing more than that. though bringing in his team was my idea . Having them review things without even asking for my input , or let alone my direction ,is ridiculous. but.. I guess you wanted to save money. ?

The audit has brought to the fore the lack of your office quality that i have been violently squawking about. ie . children playing with works of art. . It is inconceivable to me that John castrucci is still there , joslin part time, but relied on . joe error prone and brad a corporate bandleader talking about the office's finance team, accounting dept, and directing wendy to do things that are clearly not in your

interest. (saving money again ?) its nuts!! . a still non-existent IT dept. impossible , it was the first thing on my list of things that were needed to be done. Still no trading accounts to speak of , though its prophylactic quality has been discussed over and over during the past three years . computers do not read Page Six . the women at the IRS do. ! you said your motivation in keeping this group of part timers was a consequence of the high cost of my artwork. . the unfortunate result was easily predictable. - now

If you want my and my atelier to continue, I will oversee the audits. take charge of the TRA BRH assignments and review 2012 amendment options!!(note :your redo of the estate fire drill has not progressed very far). Lots of paper needs to be collected and reviewed, At MY direction. the outside team will be brought in at my expense working for me and you. coming in for interviews and reviews, . sucession, technology, tax and compliance. investment reporting , , computerized timelines for filings etc. . household classifications and reporting with a system of best practices.

My goal is clear - to end, not extend , our financial interactions. you will have a machine that works , it will not be complex to oversee , to create it, is some thing else . Unfortunatley for us both, the price for my works has not changed since day one. 40m per year, I m willing to discount it to 35 as I did give you a bad number when asked and should pay an embarassment fine. Im also aware, as you made perfectly clear . that you have already paid what you consider a great deal of money, for my work , but again its value exceeds anything else by far in your collection at a cost less than agreed upon. . please also remember that you and i agreed no more demands on my time after the last payment for the big transaction.

OR, you can decide that brad , tom , and whomever else you choose can screw with my work and they can oversee your audits . they are both aware and sensitive to the issue at hand. alan could be brought in but i would be extra careful having paul weiss given access to entire story.

_On an unrelated note- you recently seemed shy to discuss certain things. , please be assured I make no judgement on any of your activities , whether or not i agree with them . not my role I am always on your side on the table. I hope your personal life quiets. you 've had a rough 15 months.

3. Remind me to talk to you about MR

Date: Mon, Sep 19, 2016 at 8:56 PM

Subject:

To: Melanie Spinella <[REDACTED]>

dec 2015

IT, still desperately needed- reporting flawed cumbersome and inaccurate . all done by hand as one -off exercises , - airplane: re structure, (my only suggested priority in june) is really ,no further ahead, ,consultants up the kazoo but nothing at all done.(the office was told that i cannot even see the proposals received without brads specific authorization) - brad has no idea even as to what questions to ask. he knows little of finance, is run roughshod over by almost everyone in the office. he is a little man , using

your power, to appear larger . Eileen was self aware enough to know she was over her head , that is a huge difference. bad info is rampant ie 3 million in deductions Im told are taken for art space but on closer examination it turns out they cannot be used at all. (ZERO benefit) though you will be told yes they were deducted on the return they said that is the question they get asked ! " were they deducted " not -" is there a benefit " !! I asked for the balance sheet and P and L for Regan arts , a basic first step in order to check your financials. "sorry we never got one?" though 9.8 million invested, no ■■■, nothing , a construction project run amok , no budget, the coo fired after only 3 months. , no clue . I can add that artspace financials are also a total mess.

As your friend and in order to turn the page. I will try to be constructive

The following is a list of things I think would be in your interest to get done asap .but definitely not by me .

i suggest you form new grats. , hire a high level tax partner. use your trading accounts as they remain the paramount requirement 16 months after i emailed to you their importance. , I suggest you consider having the 49percent of phaidon merged into artspace and have Richard buy artspace. re-do bank loans. no need to pay interest at higher rates on boat or plane. . as Richard is now no longer trustee. re- do will, make suydam executor , with Barry, and john as back up. pay 1 million a year for executor role. get rid of Judy Black trust, deal with gifts and their tax returns, . review amounts to kids at fixed ages. put more protections in for Alex and Victoria. , distribute some money to kids let them make decisions. , decide art division with children in attendance . have fire drill done on estate. fill out estate returns as if you and Debra died today, choose advisers - rick bronstein said the only 1040 he ever filled out was his own. (this is brads chosen advisor??!) Halperin has a conflict that should be addressed., Debra should enter a tenants in common agreement with kids. you have airplane consultants tax consultants it consultants. plane operation consultant. . boat consultants. architects, lighting , art, legal, . foundation , deal with TRA , BRH , rationalize investments. cash flow. reporting, gaming disclosures. foreign, gift. . prepare tax projections for 15 and 16, . deal with neg basis (tufts gain, debt financed. art partnership, pledges. sell stock , art, deal with phaidon debt. athene,? income , capital , foreign , exit, corporate, insurance regs, out and inbound issues, basis, appropriate discount rates. ? terminations. control. , qualified dividends. corporate tolls, inversion rules. , grat issues, short swing and other sec disclosures, Rothschild bank, 150 b they have a distribution network with no products , private bank Rockefeller Rothschild. financial service. deal with UK visa issue sooner rather than later. we can talk about Rowen request re Athene , 2 billion in taxes on transaction. ?!

the facts as i see them

in June and then again Sept, we both agreed to a 50% of phaidon payout., then after weeks of thinking about the issue (which I fully understand) . the payout was unilaterally changed . 5m would be reserved for the future ? . and out of the remaining 15m ,? i would receive only 5. (note : I'm confident that both the debt , and the artspace investment will also lead to a write off of another 30 m. plus) In my dining room ,you were surprised when I said that i require most people to pay their advisory fee up front so that I am assured that I will be properly compensated for my work when strategies that I devise are implemented . you may recall that you appeared offended and said " are you suggesting that i

would go back on my word " I said no , of course not ! you are my closest of friends ,but my experience is that when amounts get large, people tend to get unhappy when it actually comes time for them to pay ,.

From day zero a 50 - 60 million price was attached as the fair price of the transaction just completed . though this amount was already substantially less than our agreed and negotiated formula. - I was never told that this was out of range. in fact, alternative methods of payment . plane -in-kind etc, were discussed (ie keeping the 30m portion of fee outstanding till March) ,I provided as requested a detailed step by step execution plan and reviewed all documents that i was given access to. (Phaidon was not forthcoming) in order to make my many corrections . I was then told that Alans involvement warranted a discount . Even in the best of light , though it is beyond question that not one-,not -one time in three years has he ever proposed a unique idea. (including the new tenant in common idea,) and lets say he made a contribution to the plan and even that it was 50 %. though no one could posit such a large amount unless they were wearing a brightly colored clown suit. , the price of doing the deal was known . It had both sent in writing and spoken about on the phone numerous times , a detailed execution plan was provided . then and only then after all was laid out for the group I was told that after a number of conversations with brad karp that only 20m would be paid , (and even that was more than originally contemplated) for both transactions . I feel It was remarkably unfair. Did brad even know of our prior agreement.? I called him and he said he was never told.?, I would ask that you I and Brad karp sit together if you think it would be helpful. . I would like to send him this email, with your consent of course. If the transactions were never consummated , i would not be owed a dime, however , the price was known up front. , the detailed step by step plan was followed and overseen by me, the price that had been requested before the transaction was begun, and had already heavily discounted, out of friendship, from our agreement . I believe the decision re paying only 20 m has frankly left me felling quite uneasy.

since you asked since last nov. i found 11 million dollars in dormant accounts. 4 million dollars in eileens drawer. . went through cash flows for phaidon showing that john murphy is not an accountant. redid your gagosian contract , . organized structure in case of divorce. set up gift trust. stopped ada from including multiple times things not in your interest. dealt with bad sales tax use tax income tax . created 8 million in deductions ,500k in mistakes , found bank of scotland fbar problems, . reorg bad art purchases , funds taken, , charitale deductions , helped with fincnail sttment gaming commions fling. . boat deductions, rescued stock from grats. . may 1 after months of brad not finding anyone i sent an email saying you would have to pay more. . on april 15. I sent an email detailing payments owed if i could figure out the basis issue, please see attached, .

questions you might ask your team ask them to provide a balance sheet or p&l for REgan arts. . doesnt exist

ask . either wechsler or haperin to tell you what brh is, or how the tra works. . . ? as bronstein to tell you why the proposed phaidon transaction DOES not work. . ask them to give you a plan for the plane. ? ask them to show you the cash mgmt for over 100 million dollars. . ask them to show you the IT system progress after one year. . the approval process for payables. . the cash flow projections? assumptions? ask for a comparative review of investments. ask haperin to describe to you in any detail

BRH , the major asset of his two biggest clients. tax basis, disposition in the estate. . etc. ask brad to show you the liquidation of the inteveing art space cos? .

Last year you asked , for my help I told you I preferred not as we would be better off having no financial intereactions. the risk was not worth it. You told me that as my friend i had to do it I agreed., here we are in what I find to be an awkward situation. the transactions that i devised were used , our agreement was ignored. and im not sure how to respond.

Date: Thu, Sep 29, 2016 at 11:47 AM

Subject: new info

To: Brad S Karp <[REDACTED]>, Melanie Spinella <[REDACTED]>

brad, leon.

After I spoke to you both, I excused myself from a dinner with some heads of state to walk into the bathroom to make some calls re 8865. I wondered whether any group that we could assert had control had filed in the past years. I called Fenn and he told me- yes.???!! he said that on friday , for the first time he learned that AGM was not delinquent at all. and had filed. !! I asked why no one had ever told me or given me the purported justification for no filings in the past for the founders. and he said Well, sorry , it was discussed on fridays call. ? the call i was not on . not invited to ,the call wechsler didnt listen in and joslin didnt transmit , if it is true. Im also now told there is a note from Deloitte re 13 and 14 that says the founders DO NOT have to file. but fenn could not tell me who wrote it and said Deloitte says to ignore it. , that s why they are pushing now.

steps 1 8865 has many exemptions for filing. let see if we can find one . (an elegant position might be josh and agm if he is panicked and leave us out). The requirments are FACT specific , so without the facts we still have nothing. fenn said he has now put someone on it

2 leon , I suggest need to focus on 1040 , 2015. , we may even consider filing the minimum 8865 , and wait until we are sure of our specific requirements, and file an amendment for 15 as well as past. no harm no foul\

Date: Thu, Sep 29, 2016 at 12:34 PM

Subject:

To: Melanie Spinella <[REDACTED]>

Leon, I am on the verge of giving up. sorry. I cannot deal with the major incompetence of your family office. I have been vocal about change. you have made none. john castrucci, still involved etc. the bullshit corporate speak, of -our accounting dept , our bookeeping dept our finance dept, the comptroller . now gives me responses that --we have heard from Deloitte , I ask, who at Deloitte?. --

dont know , the new team at Deloitte says the old team was wrong ! what new team? what old team? -- dont know. . Pwc agrees who at PWC , ?? I ask ,- dont know. BDO is almost finished - who, ? dont know; . akin gump agrees. . Fenn? - not sure.

I have spoken to each of karp , pezner, fenn, brad. joslin, bodian. multiple times . like your office no one in charge with knowledge. so rudderless hysteria . silly beyond belief as this issue is a non event. other issues have been shunted aside that have real consequences. I know you are jet lagged. I am schedule tightly today , but can free myself for 15 minutes if you want . if so have melanie talk to lesley

--

Date: Monday, 3 October 2016

Subject:

To: Jeffrey Epstein <jeevacation@gmail.com>

alan told me you are going to meet tomorrow morning . He has asked me to review the presentation. I suggest you see for yourself . since you argued that he was partial architect of the big transaction. you will see. -- bad numbers. unclear assumptions. opaque presentation. no alternatives. no review of agreements. standardized schedules without names , handed out to the dentists. . NOT even up to date inputed numbers , why in the world would they present numbers 4 months old. ??!/ it is only inputs. dividend assumptions. a mix of silliness. (art given to museums is listed as cash out). discount rates of 13.05 %. what type of number. . 100k for illness expense and funeral, in a spread sheet of 5 billion dollars.? insurance numbers left out. says debra owns half the boat? taxes? all a waste of time

A clat probabaly makes sense. however who runs it, if interest rates change. did you give them the assumptions on growth?

Date: Sun, May 1, 2016 at 6:51 PM

Subject: Fwd: Valuation Discount

To: Melanie Spinella < >

Leon please read the attached proposed response to the IRS , see if you can understand it !!! . Ive asked for a re-do. and given prelimiary directions to Alan to have it edited over the weekend

. If you are quarterbacking ,ok with me. just please let everyone know. you must deal with the outrageous incompetence in your family office .. Alans words " but I was told that.. , but I was told by the office (sic) that ... , BUT i was told by joslin,. , but I was told by . " why is leon blaming me for .." . I ve have always given you my best advice, If you reflect on your financial life , you have been kept safe , had remarkable results and no disasters. I have repeatedly urged you to get rid of the people in your office. , you have repeatedly chosen to ignore my advice , you told me last week that the emotional reason was in order to be weaned off my group and not have to pay my high fees. (though ignoring the benefit of between 1.5 and 2b to the better.) . and no explosions. You have

email after email ,where i remind you that I am not your bookkeeper or accountant (in brads corporate speak his" finance dept ???!) that it should be redone .I have reviewed a multitude of the silly reports given to you and have pointed out the continued numerous inaccuracies . your question " so what if the numbers are off , so what if the categories are off. whats the big deal??. I suggest you de risk you finances and make the tough decisions necessary - pay the right amounts (high) to get the work done properly or , you are , Im afraid, certain to get an unhappy answer.. tom will be back from vacation. this week.

Date: Thu, Apr 28, 2016 at 5:16 PM

Subject: Valuation Discount

To: "jeffrey E." <jeevacation@gmail.com>

I am attaching a draft response from Empire Valuation as to why it arrived at a valuation discount on the low end. Let's discuss the response and next steps. Thanks. Alan

Date: Wed, Nov 9, 2016 at 10:27 PM

Subject:

To: Melanie Spinella <[REDACTED]>

sorry, I can call on thurs or sit face to face fri afternoon. . I will be in ny until monday morning. decisions- questions good news . I have a really elegant solution for most of the following, 1 gift tax. cash or in kind . 2 . 1031. 3 fire drill brh tra etc. 4 . xxxx 5. 8865 s.

tax planing running out of time. . 7 restructure office . barry? brad told me he thought you had acknowledged high value this year. gift tax audit etc. , . April, Oct. . returns. manage joslin , who is still running your tax dept .

you and I need not rehash old postures, its tedious - I would ask that you tell me if you intend to pay for the work that was done, and for the work you expect to be done, . thanks

Date: Tue, Nov 15, 2016 at 12:13 PM

Subject: Fwd:

To: Melanie Spinella <[REDACTED]>

Leon, Congragulations on biting the bullet. at least 18 months late , but I m encouraged and glad for you. When you interviewed Brad two years ago you asked that i not tell him what a disaster lay before him. what would you like me to tell Barry?

There is a HUGE amount of work to be done in the next 9 -12 months. mostly the exact same work that i outlined in my email of 2 years ago. now complicated by years of mess on top. (you can send it again if you like) . Brad wechsler was never up to the task . sorry, I realize I have been saying the very same thing for a long time. he was a not a step up from Eileen but a step sideways. in the

beginning there was Eileen and Tom and Ralph Lerner. all your hand picks. then brad. john, Joe. . joslin was chosen from a pool of 2 people. each that would be limited by a salary of 250k. (yes i personally augmented his comp in order to get him) I did say hire both Lisa to do the bookkeeping and joslin tax, He complained for over a year , re his direction by eileen and ada , and then brad. His breakdown was not a surprise after months and moths of warnings. Though disabled, he ran your office this year. with john and joe. He ran amok, and as i told you he rarely failed to remind me in our conversations that you told him that he works for you and not for me and that brad needs to pays him .

. Asking me who to hire , estate attny tax people etc. :

I have taken heat for years over the fact that i gave you no more than carlyns name, . no follow up questions no interactions , not even one single question asked of me re her work. (that was Eileen) but somehow carlyns fuck up was my doing. . when i told you that i thought Eileen wasn't up to the task, you bellowed that i was talking out of both sides of my mouth. . You told me this year , that by trying to protect you from crazy joslin, I had in essence fired him and it was my responsibility to do his work. it then turns out that he didn't consider himself fired at all he just received less money. and continued to make a really dangerous mess. . Joshn castrucci, in your eyes , was also my doing , though email after email said , I take no responsibility for him, and iYOU SHOULD NOT HIRE HIM .!!! , , your response was that was my opinion was only because i didn't trust him. then to add insult to injury last jan you told me he was gone. however he too is still there, and a waste of money and space.

My time is complicated by Donald's potentially eviscerating any reason for anyone to use the foreign funds repatriation plan that i had put together. . however as you are aware I have some decisions to make re my time allocation in the next year or two. so at least for a few weeks I am unable to commit much time and make any future plans to guide you in the redoing of your procrastination produced mess.

That being said , the tasks at hand are the following.

You have a bomb of colored string that your retarded children have formed , It has to be very carefully unwound , even the substitution of Barry for your next trustee, needs a careful focus on procedure.s It would be much preferable if Wechsler was not his replacement. do you have any person you trust ??? . I am concerned re brad taking barrys place re XXXX. In the beginning Barry will need to find and learn ACCURATE . org charts. books , balance sheets . trust valuations. are all a part. Barry will need 2 months to just get his arm around what is there , this is before any needed modifications.,

a way overdue re- fresh of your estate plan . . clats , trust. partnerships. grats. lls. bank accounts , filing requirements. etc. the long awaited review of the brh tra and shareholders agreement to see how they fit into new plan. . " XXXXX" planning. art partnership engagement .. , airplane re-do. , buying another. . ? boat sale , Miami sale. . TRADING ACCOUNTS. . three years over due. . an accounting system. fire john .. joslin stays for a year. or so. so does tom and . except for heather everyone should be replaced with new. . Sell Artspace and shut down regan arts. . rationalize. cash flow reporting. cash mgmt. stock sales. sec irs. gaming. foreign reporting. the 8865 mess will take months to review now . . you CANNOT file unreviewed audited documents. . CANNOT!!! this will be very detailed work. . a self inflicted wound - all avoidable if professionals

had been in place to limit or contain it. . . you will need 3 new hires as there is no one in your office that is truly an A player. I have great hope in Barry as you know. He will need to be trained. note

; One year is my guesstimate After 4 years of telling you, that you could do better than Halperin, I'm glad that you now are willing to follow Barry's advice. I take no offense, in fact I take comfort in the fact that after only one conversation with Barry you are now convinced to make that change. will take a year or more.

I expect as a friend you will understand that

I will no longer, not even for one day, work on your affairs without the compensation that is long overdue. . your unilateral idea of after care, not imposed on any other professional, except me, not Paul Weiss, (Caesars alone, a direct screw up on their part) Tom, Akin, no one. needs to end. . you and I had previously agreed no more of that, and this after you decided not to pay me per our agreement. to be fair I can not say I'm surprised as you have email after email, stating that, if you save a great deal of money, you won't want to pay, so limit it to 40m per year. - water under the bridge

If I can find the time to work, on your project, which is not by any means certain as I have said, I hope you understand that it now will have to be under my standard terms and conditions. and well documented so as to avoid any more of the he said she said. I never want to have any more uncomfortable money moments with you, I find it very distasteful. . so to be clear, my terms are as follows. I will only work for the usual 40 million per year. It needs to be paid, 25 million upon signing an agreement. 5 million every 2 months thereafter for 6 months ie March May June. this can begin if I am able in January. I will immediately stop work, if the payment is not received. If you want me to work this year until Jan 15, it will be 10 million. paid upfront. after one year you will be left with a new estate plan a running office. staffed with professionals overseen by Barry. (hallelujah) a tax plan. and an investment that returns more than any painting you could possibly own. . no agreement - no work. however - I of course will talk to Barry for the hour that I promised, and take your guidance as to what I should say.

Date: Tue, Nov 29, 2016 at 1:27 AM

Subject: so there is no misunderstanding

To: Melanie Spinella <[REDACTED]>

I have told the Brads and Barry, - I am done. its not a negotiation, out !! - fyi given my Carolyn Joslin Castrucci, admonishments, - though my involvement in those - in one instance only gave a name - in another only given an Eileen dictated choice between two 250k preparers. and for Castrucci, I actually sent emails that I take no responsibility for his being hired. - however you felt strongly that I should be saddled with their outcomes. even with Brad Wechsler, I again said two months in, Leon, he doesn't get it. I tell you this so that you will understand that I will not interview, recommend or vet any new hire.

A story - In 1993 Trump and I had a friend that kept telling his pilots how to fly, and when to fly, he couldn't help himself from hiring morons as co pilots, and maintenance people based on cheapest

rates. Donald and I tried and tried to talk some sense into him, to no avail. Donald and I were in aspen, sitting at little nells. when the friends plane crashed into the side of aspen mountain , klling him and all on board,- Trump looked at me and said without a blink , I guess NOW he wishes he would have listened to us.- a metaphor for your office. . . had we not waited to the very last hour having had a six month window and tens of unasnwered text and emails re decisions needed including the 1031. you would have saved way more than you often feel obliged to argue about. . silly but i realize you are stressed.

Barry will need to sit with brad for months, to absorb all the co's , structures. cash flow, financial statments etc. I will present barry my thoughts on the overall redo , it will be the exact same email that i presented to you and brad two years.ago . accurate numbers first. and foremost. . (last week gaming report stil funky). IT etc I pointed out some of the more glaring errors to barry to give him a flavor of what is to come.

Tuesday if you like we should discuss Giacometti , and pesner . difficult to finesse him if they are filing documents that you won't . these ridiculous conversations with tons of people on the phone , removes any claim you might have to not be considered a WILLFUL NON-FILER . (after youve been told by attnys and pwc that you should file in writing , you have NO choice) .. worst possible result - including serious penalties up the kazoo.

Date: Tue, Feb 24, 2015 at 8:20 AM

Subject:

To: Melanie Spinella <[REDACTED]>

Leon,

Yesterday , I again spent hours upon hours of my time with your office. ,(speak to brad to get flavor) and you and i will discuss the results in gory gruesome detail on Friday. it mirrored many other weeks spent doing the things that I don;t have the time to do.

In order to keep things in perspective, maybe reviewing an analogy I have used before with you, might be helpful. You and your family are a 6 billion dollar corp. with an income between 250 -500 million dollars per year. It contains a few operating biz's , a large wide array of existing investments, in various categories , a desire to enter into others. A panoply of loans, notes. purchases, wide range of all types of taxes. , planes. boats homes. . trusts ,grats. a crazy number of bank accts. (with no oversight) . law firms, acct firms, 800 page tax returns, foreign firms. art consultants. construction consultants bill payers, home mgmt.,vast multitude of llc's , including foreign, and with all that you only have a combined overhead of less that 3 million dollars.

I have previously sent you the very same note that i have enclosed again below ,this time with highlights . I wrote it to you over a year ago. As my acute disability (selective memory) seems to have been raised as one of your concerns , as a rule I try to memorialize things in writing in an attempt to lay out issues that I fear may later turn out to be a problem. ie what i would and wouldn't do , - my responsibilities. etc and those things that are not. below you will find details

of things that I thought needed to be done, so that you wouldn't find yourself in the very place where you currently find yourself. however ,you chose to defer many of my suggestions- see below - ,until only weeks ago. ! you chose to defer the jpm acct. the art partnership on and on - into this year. and though the 60- 50 40 timber emails all carried with it a clear warning that you needed to do something re personnel if it were to stabilize,- you chose to wait.

ONE YEAR AGO

Feb 17 2014 i wrote :

With regard the more pressing issue I am uncertain of just how to proceed. I am torn, as my very strong inclination is not to be involved at all . It is extremely time consuming, delicate, fraught with many pitfall many that will make you very upset and a major pain in the ass. I wrote you months ago that the quality of the people involved need to be upgraded. (lucky for me these last issues arose way before the beginning of my involvement) I am also aware however of my overarching friendship obligations of ok, -given all the complexities who else can do it? problem.

Your family office needs a daddy. children with good intentions are running around , sniping , nitpicking with little direction. As a stopgap measure I am suggesting , we put in Larry Delson to take charge **Everyone would report to him. Eileen included.** He would however work for me. this is not, by a long shot my first choice as I prefer only being responsible and standing behind my own personal work (ie the word DONE will no longer be transmitted to reflect status stated by others)

With no commitment on my part whatsoever, to do it. So far as I have failed in my attempt in trying to think through the problem creatively . **My organizations handling of the more complex issues I believe you might find very costly,** very ! (however many structures available some risk sharing, maybe risk caps ,etc) but would **require my teams doing the work** , not yours. Ada should be only a trust, grat administrator. not sure what role you prefer for Eileen as you hired her initially to oversee investments. whether Rich your controller stays or not, is not urgent. having Tom report to a new person,- is. coordination with Suydam Kathy Gregory, I would suggest limiting to one person. The increasing public profile needs to be taken into consideration.

TODAY

With your acquiescence , Eileen did not report to Delson (he acting as a conduit directly to me) , she continued to provide bad info to both you (cash flows , stock accts, structures. sales Etc) and me. and each time with my many annoying calls to you made immediately afterwards that she was g.....y !! No one was hired to run YOUR office until two months ago , no one was even interviewed and even now , Brad, a very nice man, is not even full time,(crazy) Hours upon hours of time need to be spent training him . and his new staff. Eileen followed your instructions. not mine. in fact she continued to ignore mine saying " but Leon said " or " its on Leon's desk etc " , You would become frustrated when i pointed out each instance. of her obfuscation. originally you were given the clear choice, but to save money ,you chose not to hire my team . I was hired to do the architecture, you kept your own team. with Eileen at the head. instructions were given by me, , detailed but ignored by her. (except in the instances where I inserted myself and personally had to do the weeks of grunt work),ex. jpm morgan acct still not in use? That being said, If you do

the cold calculation ,starting from where you were, to where you are currently . you have made a hell of a deal. -- negotiating down my original amount requested , calling upon our friendship and suggesting that the Carlyn mess was partially my fault. (though in that specific example , I had never been asked to do more than merely provide you the name of the most highly recognized atty in the field, not consulted,nor even asked again for my guidance along the way.). I accepted the discount as your friend. (by the way ,,suggesting now, that your Tom is now that last word on tax characterization, frankly is a bit much,-). however - that is all in the past.

In order to move forward

I would ask that you realize that very unlike yours, My business is only comprised of my personal attention and my personal time . Time that I was forced to grossly overspend on your various issues last year. . As you are my very close friend I will not have you participate in a bidding process that I have decided i will have this year for my time . (hopefully a more fair way to allocate) I would also ask that you keep in mind that though our deal expired months ago. (also keeping in mind , that your understanding of the final payment terms neither reflected the emails or my memory, we finished it up your way.) I have answered every call Brad , joslin, Ada or you, have made . reviewed docs over and over/ until once again, I was forced to insert myself strongly as I thought it dangerous not to. I made serious dollar and time concessions last year.very serious I am willing to continue to accommodate some of your concerns , but I am, under no circumstances , none, willing to spend my time for free. its not fair. After cleaning up Carlyn's mess , which was a few weeks and 30 million dollars . We were both highly aware of the dire circumstances in which you found yourself last year, and in fact due predominately to its seriousness. and those very circumstances I took extra care in our negotiations . (you had claimed I had you over a barrel , (a horrible position to be in with my very close friend.), unfortunately I fear that if you are not cautious ,in the near future, another barrel will appear of your own design)

I heard you when you said you believed i had already been paid for the work that is now required. The art partnership has fully answered all your concerns and discharged all my obligations and more so. . (FYI Carlyn's art partnership that you referenced is similar in only its title.) You will also recall that you required that my payments be at the end of my work not at the beginning as everyone else's .(my work was never to include hours upon hours of training your staff). I eventually agreed, this of course should make clear that the 2014 tax year that will close Oct 2015 is not covered by our past agreement at all. I pointed this very fact out to you when I initially proposed a multi year agreement right out of the box. you said you preferred not. As you said ,I have produced results to date, far in excess of even my own exalted opinion of my projections. I have devoted a monumental amount of my limited amount of time-- way, way in excess of our agreement. I will be fair, I am willing to roll in the amount still outstanding from last year if that helps .. However, As my best student , and my only one, you are now capable of doing most, if not all, of the required work yourself. I can put my whiteboard away when you come to eat and just have fun, trade stories,. share moments ideas etc. . I am of course always available to guide you as a friend if you choose that route . always . It will take a great deal of your time , but you will not have to spend any more money on mine .

We are scheduled to meet fri at 430 , I leave at 5 am sat morning.

Date: Tue, Mar 21, 2017 at 6:58 PM

Subject: Fwd: request for docs - AAP

To: Richard Kahn <[REDACTED]>, Darren Indyke <[REDACTED]>

not for now. but maybe later ,

----- Forwarded message -----

From: **Ada Clapp** <[REDACTED]>

Date: Fri, Mar 17, 2017 at 10:45 AM

Subject: RE: request for docs - AAP

To: "Barry J. Cohen" <[REDACTED]>, "jeffrey E." <jeevacation@gmail.com>

Cc: Brad Wechsler <[REDACTED]>

Attached are:

1. Executed Version of AAP
2. Most Current Draft of AAP
3. Redline of 1 against 2
4. Summary of AAP from Vanessa Eng

-----Original Message-----

From: Barry J. Cohen [[mailto:\[REDACTED\]](mailto:[REDACTED])]

Sent: Friday, March 17, 2017 8:07 AM

To: jeffrey E. <jeevacation@gmail.com>

Cc: Brad Wechsler <[REDACTED]>; Melanie Spinella <[REDACTED]>; Ada Clapp <[REDACTED]>

Subject: request for docs

I will organize. Copying Ada who has a lot of this.

Sent from my iPhone

On Mar 17, 2017, at 7:25 AM, jeffrey E.

<jeevacation@gmail.com<<mailto:jeevacation@gmail.com>>> wrote:

can you send me latest bank art loan docs. BRH agreement . TRA agreement , agreement amongst shareholders. . , org chart for phaidon , art space and regan arts. . . , ownership only, . - list of investments , ownership of l.a. house.structure, / list of art by highest gain. . -

Date: Tue, Dec 29, 2015 at 7:26 AM

Subject: Fwd: leon DO NOT SEND, hand deliver.

To: Jeffrey Epstein <jeevacation@gmail.com>

Transaction complete !

. this - in spite of your collection of Elysium misfits. !!!

With Brad out of the office and unable to run his usual interference , the level of his utter incompetence was brought front and center, he may be a step up from Eileen, but if he is , then it is not certainly not by much, . Though you and I have spent many many hours discussing the importance of details and mechanics. I was not shown one document re phaidon,- not one.. Brad wanted to keep it private between he and his so called " advisors " however as he was out of the office during the most important transaction of the year, I did get to spend time with joslin Joe and john, - the situation in your office is wholly ludicrous - to summarize - the list I provided to Brad last December - things I thought were a priority to get done after consulting with your office still remains virtually undone.

IT, still desperately needed- reporting flawed cumbersome and inaccurate . all done by hand as one -off exercises , - airplane: re structure, (my only suggested priority in june) is really ,no further ahead, ,consultants up the kazoo but nothing at all done.(the office was told that i cannot even see the proposals received without brads specific authorization) - brad has no idea even as to what questions to ask. he knows little of finance, is run roughshod over by almost everyone in the office. he is a little man , using your power, to appear larger . Eileen was self aware enough to know she was over her head , that is a huge difference. bad info is rampant ie 3 million in deductions Im told are taken for art space but on closer examination it turns out they cannot be used at all. (ZERO benefit) though you will be told yes they were deducted on the return they said that is the question they get asked ! " were they deducted " not -" is there a benefit " !! I asked for the balance sheet and P and L for Regan arts , a basic first step in order to check your financials. "sorry we never got one?" though 9.8 million invested, no p&l, nothing , a construction project run amok , no budget, the coo fired after only 3 months. , no clue . I can add that artspace financials are also a total mess.

As your friend and in order to turn the page. I will try to be constructive

The following is a list of things I think would be in your interest to get done asap .but definitely not by me .

i suggest you form new grats. , hire a high level tax partner. use your trading accounts as they remain the paramount requirement 16 months after i emailed to you their importance. , I suggest you consider having the 49percent of phaidon merged into artspace and have Richard buy artspace. re-do bank loans. no need to pay interest at higher rates on boat or plane. . as Richard is now no longer trustee. re- do will, make suydam executor , with Barry, and john as back up. pay 1 million a year for executor role. get rid of Judy Black trust, deal with gifts and their tax returns, . review amounts to kids at fixed ages. put more protections in for Alex and Victoria. , distribute some money to kids let them make decisions. , decide art division with children in attendance . have fire drill done on estate. fill out estate returns as if you and Debra died today, choose advisers - rick bronstein said the only 1040 he ever filled out was his own. (this is brads chosen advisor??!) Halperin has a conflict that should be addressed., Debra should enter a tenants in common agreement with kids. you have airplane consultants tax consultants it consultants. plane operation consultant. . boat consultants. architects, lighting , art, legal, . foundation , deal with TRA , BRH , rationalize investments. cash flow. reporting, gaming disclosures. foreign, gift. . prepare tax projections for 15 and 16, . deal with neg basis (tufts gain, debt financed. art partnership, pledges. sell stock , art, deal with phaidon debt. athene,? income , capital , foreign , exit, corporate, insurance regs, out and inbound issues, basis, appropriate discount rates. ? terminations. control. , qualified dividends. corporate tolls, inversion rules. , grat issues, short swing and other sec disclosures, Rothschild bank, 150 b they have a distribution network with no products , private bank Rockefeller Rothschild. financial service. deal with UK visa issue sooner rather than later. we can talk about Rowen request re Athene , 2 billion in taxes on transaction. ?!

the facts as i see them

in June and then again Sept, we both agreed to a 50% of phaidon payout., then after weeks of thinking about the issue (which I fully understand) . the payout was unilaterally changed . 5m would be reserved for the future ? . and out of the remaining 15m ,? i would receive only 5. (note : I'm confident that both the debt , and the artspace investment will also lead to a write off of another 30 m. plus) In my dining room ,you were surprised when I said that i require most people to pay their advisory fee up front so that I am assured that I will be properly compensated for my work when strategies that I devise are implemented . you may recall that you appeared offended and said " are you suggesting that i would go back on my word " I said no , of course not ! you are my closest of friends ,but my experience is that when amounts get large, people tend to get unhappy when it actually comes time for them to pay ,.

From day zero a 50 - 60 million price was attached as the fair price of the transaction just completed . though this amount was already substantially less than our agreed and negotiated formula. - I was never told that this was out of range. in fact, alternative methods of payment . plane -in-kind etc, were discussed (ie keeping the 30m portion of fee outstanding till March) ,I provided as requested a detailed step by step execution plan and reviewed all documents that i was given access to. (Phaidon was not forthcoming) in order to make my many corrections . I was then told that Alans involvement warranted a discount . Even in the best of light , though it is beyond question that not

one-,not -one time in three years has he ever proposed a unique idea. (including the new tenant in common idea,) and lets say he made a contribution to the plan and even that it was 50 %. though no one could posit such a large amount unless they were wearing a brightly colored clown suit. , the price of doing the deal was known . It had both sent in writing and spoken about on the phone numerous times , a detailed execution plan was provided . then and only then after all was laid out for the group I was told that after a number of conversations with brad karp that only 20m would be paid , (and even that was more than originally contemplated) for both transactions . I feel It was remarkably unfair. Did brad even know of our prior agreement.? I called him and he said he was never told.?, I would ask that you I and Brad karp sit together if you think it would be helpful. . I would like to send him this email, with your consent of course. If the transactions were never consummated , i would not be owed a dime, however , the price was known up front. , the detailed step by step plan was followed and overseen by me, the price that had been requested before the transaction was begun, and had lready heavily discounted, out of friendship, from our agreement . I believe the decision re paying only 20 m has frankly left me felling quite uneasy.

since you asked since last nov. i found 11 million dollars in dormant accounts. 4 million dollars in eileens drawer. . went through cash flows for phaidon shwoing that john murphy is not an accountant. redid your gagosian contract , . organized structure in case of divorce. set up gift trust. stopped ada from including multiple times things not in your interest. dealt with bad sales tax use tax income tax . created 8 millino in deductions ,500k in mistakes , found bank of scotland fbar problems, . reorg bad art purchases , funds taken, , charibale decustions , helped with fincnacil sttment gamoing commions fling. . boat deductions, rescued stock from grats. . may 1 after months of brad not finding anyone i sent an email saying you would have to pay more. . on april 15. I sent an email detailing payments owed if i could figure out the basis issue, please see attached, .

questions you might ask your team ask them to provide a balance sheet or p&l for REgan arts. . doesnt exist

ask . either wechsler or haperin to tell you what brh is, or how the tra works. . . ? as bronstein to tell you why the proposed phaidon transaction DOES not work. . as them to give you a plan for the plane. ? ask them to show you the cash mgmt for over 100 million dollars. . ask them to show you the IT system progress after one year. . the approval process for payables. . the cash flow projections? assumptions? ask for a comparative review of investments. ask haperin to describe to you in any detail BRH , the major asset of his two biggest clients. tax basis, disposition in the estate. . etc. ask brad to show you the liquidation of the inteveing art space cos? .

Last year you asked , for my help I told you I preferred not as we would be better off having no financial intereactions. the risk was not worth it. You told me that as my friend i had to do it I agreed., here we are in what I find to be an awkward situation. the transactions that i devised were used , our agreement was ignored. and im not sure how to respond.

Date: Tue, Oct 27, 2015 at 6:35 AM

Subject: Detailed constructive list.

To: Melanie Spinella <[REDACTED]>

Cc: Brad Wechsler <[REDACTED]>

Decisions needed asap 1 phaidon. topco etc. . (cash needs) many wires needed !! 2 new trustee or not. - new decantings 3 art in art partnership.??! .overdue ?! 4 grats? window - 5 art space. .6 regan arts. .7 plane simplify re structure re finance. re purpose . 8 .boat restrucutre , sister, 9 re fresh estate plan. to consider modifications Alex Victoria equal does not mean same. 10. tra review , sale. , 11 brh, doc review, 12. sale of stock or art ? tax, rent sale 13 . gifts of art. 14. charity current and future pledges , gifts, 15 cash flow. . 16 . new IT and new personnel. 17. operational re-do (bill pay etc) . 18 debra and children ? current and future involvement . notifications etc. . new dynasty trust ? 19. tax plan and disclosures gaming. foreign apollo and phaidon related . 20. investments rationalize incl trading accounts . 21. bank loans . rates ?? terms etc. consolidate. plane boat houses. disclosures? 22 . consolidate and review and reduce the number of all bank accounts and legal entities. decanting liquidating etc. . 23 all outside consultants? valuations etc. 24 review legal bills carefully. 25. third party responsibility Bens house , alex films . etc.

Date: Tue, Nov 3, 2015 at 10:45 PM

Subject:

To: Melanie Spinella <[REDACTED]>

okay, its time for you to decide how you would like to move forward. (fyi get your money from the 1031 . the screw up is only one of many,) If you decide to move forward on decanting. phaidon, note basis estate update , each requires many carefully orchestrated detailed steps. and precision . there are hundreds of millions in saving if done correctly and a huge mess if not. If you want me and my colleagues to do it , oversee it paper it and guide it, you should tell me. It is a big undertaking . If not , ok .. Brad and your crew can do it. I will have no real further involvement apart from confirming the outcome of my proposed structure, I will not risk the admonition of- they thought you said, they thought you meant, they understood it to be. but they said you said, (i e ,I asked at our meeting that accounting be done properly for bens house , what came back was ada thought that I meant that we needed to go back to the 97 trust and give him a full third party accounting of where his money had gone??!! I kid you not). I dont think brad should talk to jane heller without a fully fleshed out plan in place and even then it should be you.

Date: Mon, Nov 30, 2015 at 11:21 AM

Subject: agenda

To: Melanie Spinella <[REDACTED]>

1 fees, amount and to what entities when and responsibilities. 2. gagosian idea to save a minimum of 10 mill and maybe more. 3. i can walk you through carlyns screw up, 50 % would have made little difference and maybe made it worse. 4. we should have an all hands meeting with your family to talk about art distribution on death. 5. phaidon, decantings (already firmly in progress) loans. (alan) pent. (with follow up) all part of same elegant transaction, 6 asymmetric risk worth at least 50- 60 no matter how you calculate. I can explain. 7 lets get the money issue out of the way once and for all. I have my team set to start.

Date: Fri, Dec 4, 2015 at 8:07 AM

Subject: Fwd: moving forward

To: Melanie Spinella <[REDACTED]>

I had forgotten that Alan was actually at the table when i explained my note deal to you. it was at the end of the meeting described below. as you will recall, not once, not even a peep did alan suggest contemporaneously his hand in the crafting, in fact brad said it was an idea. that HE brad, HAD HAD, from the beginning. my emails between alan and I that you can read, further confirm authorship. Im sure you recall the obnoxious tooting when alan said he agreed with my plan.

Date: Mon, Nov 2, 2015 at 10:03 PM

Subject: moving forward

To: Melanie Spinella <[REDACTED]>

I have mixed emotions about what transpired today. really, You saw first hand in nauseating detail what i have been saying to you for quite a while now. Joslins answers were totally incomprehensible. the charts he prepared unreadable. Brads defensive posture was at a minum very surprising. He and I have recently gotten along quite well, I thought. Neither Joslin or Brad understood a 180 million dollar number. no cash flow after weeks of requesting? odd. when you suggested that heathers behavior was emblematic of a sloppy office, brad said lets not talk about emblems??! bill pay, admittedly no change for the year. plane not done. though it was the only thing i suggested doing first in july. I sent you a list of 10 consultantts. brad said three, i didnt want to push it. I was shocked that brad was opining on things he knows little or nothing about. tax issues. 1031. neg basis, note payoffs (the same idea he said he had had from the beginning??!!) . answers re LBF holdings that can be corrected (they cant) . valuations that have never been read. When we met in your lobby he seems surprised that i was there. I dont know if he felt somewhat sandbagged. . .

the savings on the note payoff is approx 33 % of 1.8 billion. real money if you do phaidon which i see no reason not to. if later josh and ben want to buy it back with you or without you they can. i will walk you through the structure one on one. the losses will offset the calder gain as well as apollo gain.

Im aware that seeing what you saw frustrated you. I felt badly for you.

You wanted a contingent deal. real value. etc. I will not of course hold you to your deal . . its silly. its not how i work or a reflection of our friendship. my proposal is as follows. I want away from your buisness , but at the same time leaving you in good shape. I think you should pay the 25m that you did not for this year. for next year its the same 40 m as always, paid 20 in jan and 20 in july, and then we are done. I will give you advice and counsel but new people will be running your operating machine. I will oversee all the work that needs to be done you and I will hire new people , and it will be self running. (it was may in my house when you told brad it had been 5 months and you were getting fed up) I will set up a parallel . office , somenoe like wendy dolman or her quality is paramount. two accountants two bookeepers and two office admins. . alan and zoe will handle trusts and grats. heatehr diana george will be inolved in art partnership. if you want brad, analysts etc. and kids to do investments I have little to add in that regard ,except to be able to account for things properly. I suggest that the kids must have skin in any deal.

Alternatively , we can continue to focus on fun and let someone else do the things that you want done. and you and I can kibbitz about it all. structures outcomes risk, museums. charity, (joslins answer by the way was I had asked how much charity was leon planing to give this year , (the 2 m) he didnt include your foundation or the payment to me, or from debra and you??!!

Date: Mon, Nov 30, 2015 at 11:21 AM

Subject: agenda

To: Melanie Spinella <[REDACTED]>

1 fees, amount and to what entities when and responsiblitis. 2. gagosian idea to save a minimum of 10 mill and maybe more. 3. i can walk you through carlyns screw up, 50 % would have made little difference and maybe made it worse . 4. we should have an all hands meeting with your family to talk about art distribution on death. . 5. phaidon, decantings (already firmly in progress) loans. (alan) pent. (with follow up) all part of same elegant transaction, 6 asymmetric risk worth at least 50- 60 no matter how you calculate. I can explain. 7 lets get the money issue out of the way once and for all. I have my team set to start.

Date: Fri, Feb 20, 2015 at 5:52 AM

Subject:

To: Melanie Spinella <[REDACTED]>

1) pg 1 A " unequal shares" . pg 23 "removal of trustees " absolute. dont be confused with abiltiy to set up seperate trusts, , 2) I am reachable this afternoon in europe. on cell. 3. on another note . -our financial agreement ended months ago . seperate from the art partnership (which i was told yesterday to

my amazement is still not funded) . i am obligated to complete ? the time i have dedicated since oct/dec has been spent mainly as your friend. tom, brad though i am fully cognizant of my responsibilities. I will try to help find people. I am not good at human resources. however If I don;t think they are good enough for you. I will continue to say so , and you obviously decide. but I will reiterate even in the face of your "nobody is good enough argument." keeping foremost in my mind that you and I have only been shown a very tiny handful of people. 4. I find the friction over fees , counterproductive. in an attempt to avoid it I had suggested a multi year deal early on. you rejected it. I then suggested, and urged you to have an option at a fixed fee , you also rejected that .you wanted the fee payment only at the end I argued but ,conceded. I suggested a structure that tom didn't like. you rejected it . 5 I suggest you make a fair proposal.- that i can either accept or reject. some payment up front this time is a requirement. I am willing to modify any outstanding obligations. - there are creative ways to assure you of your desired characterization of those payments. 6 you should open accts at Deutsh . and goldman. I am told that eileen has set up over one hundred bank accts for you????!. few relevant 7 you should immediatly demand a list of all her acct authorities , exec poistions . director etc. bank authorizations. etc. talk later or over the weekend if you like

Date: Tue, Jan 5, 2016 at 9:32 PM

Subject:

To: Jeffrey Epstein <jeevacation@gmail.com>

Mark was here this morning , the proposed transactions are extremely complex . and would take a great deal of detailed time. I do not know how, and if ,to move forward - our last transaction. a transaction which you saved 600 million in tax. even if 20 years away , (i hope longer) even discounted is a 300 million savings . for that you ignored our agreements , verbal written and emailed -and decided that it was only worth 8 million dollars. (assuming phaidon srichard happens. 24 m savings not including artspace and debt benefits certain to come later) FYI the phaidon transaction cannot happen as currently contemplated IT will not work . NOT

When we had our meeting in your home in Bedford. You asked me for my help. I told you multiple times that i thought it was a very bad idea, in that I preferred to have no financial interactions. I dont have many friends and didnt want money in any way to interfere with our unique relationship. Reminder , For five years you had the kind but goofy Eileen Alexandersson as the sole manager of your accounting , legal, investments. reporting, trusts etc. When I first told you in no uncertain terms that I firmly believed she was incompetent you admonished me for " speaking out of both sides of my mouth " . With regard Brad Wechsler , there has never been a " both sides. ". I have consistantly maintained since day one that he was highly unsuited for the job. When you initially asked me to help convince him to take the role , promising him a position to manage mirage investments I sent you a note saying that instead of hiring him you should pay up and get first class people. I have reiterated the same message for over a year now. . Brad , not me ,was tasked with hiring new people , according to his org chart.(nauseating) and as you wanted him to take ownership of the staff,he conducted many interviews alone. . you may recall that as late as may, you told him in my presence that though six months had passed he had not hired anyone. since then I have rectified errors in sales tax, use tax, income tax, fbar reporting, 1031 reporting, 8 million of deductions missed errors of millions on the returns. ,(april)

Oversight on new grats- first at 22 and then at 19 that were done without my consultation and needed to be resolved solely as a result of my last minute intervention. . 600 million in after tax savings was just accomplished. though you left the 30 million outstanding that I had said should only be done" if" that was my additional fee. not used for non biz purposes and not art.

in June and then again Sept, we both agreed to a 50% of phaidon payout first projected at 20 . but less when artspace and debt taken out, - then only after weeks, when you delayed any detailed discussion of money wanting to give the issue a thoughtful response (which I fully understand) . you unilaterally changed our agreement. . 5m would be reserved for the future ? . and out of the remaining 15m ,? i would receive only a third. (note : I'm confident that both the debt , and the art space investment will also lead to a write- off of another 30 m. plus) In my dining room ,you were surprised when I said that i require most people to pay their advisory fee up front so that I am assured that I will be properly compensated for my work when strategies are implemented . you may recall that you appeared offended and said " are you suggesting that i would go back on my word " I said no , of course not ! you are my closest of friends ,but my experience is that when amounts get large, people tend to get unhappy when it actually comes time for them to pay.

I include below the email i sent to you on April 15, the day i was examining your returns It laid out my understanding of the compensation agreed for a transaction of the magnitude to the penny of the one just [completed](#).ie 600m When it appeared that the transaction would and could go forward I was the first to point out that our agreement would cost you too much money, therefore

From day one I proposed to discount our agreement to a 50 - 60 million range. An extremely fair price for all the transactions just completed . including Phaidon. - I was never told that this was out of range. in fact, alternative methods of payment . ie my plane, or an -in-kind payment were discussed (ie including keeping the 30m portion of the fee outstanding till March) ,I provided , only because you specifically requested a detailed step by step execution plan and reviewed all documents that i was given access to. (Phaidon was never forthcoming) in order to make my many corrections . (as i said more needed on phaidon) . I was then told that Alans involvement warranted a discount . Even in the best of light , though it is beyond question that not one time in the three years of his retainer has he ever proposed a unique idea. (including any way to deal with the use issue on debras death ,or even the most basic review of your largest asset by far , the BRH agreement.) O.K. - lets say he made a contribution to the plan and stretch reality beyond the pale and say it was 50 % . though no one could posit such a large amount unless they were wearing a clown suit. , the payment and our formula of 37 percent associated with the deal was known . It had both sent in writing and spoken about on the phone numerous times , a detailed execution plan was provided . then and only then, after the entire transaction was laid out for the group to follow You told me that after a number of conversations with brad karp that a total of only 20m would be paid , (and even that was more than you originally contemplated) for both transactions . Leon I feel It was remarkably unfair. Did brad even know of our prior agreements.? ? , I would ask that you I and Brad karp sit together if you think it would be helpful. . I would like to send him this email, with your consent of course. If the transactions were never consummated , i would not be owed a dime, however , the expected fee was known up front. , the detailed step by step plan was followed and overseen by me, the amount that I had requested before the transaction had even begun, had already been heavily discounted, out of friendship, . I believe the decision re only paying 20 m has frankly , left me felling quite uneasy. and colors the view about the Athene or Rothschild transaction.

Date: Sun, Mar 20, 2016 at 11:17 PM

Subject:

To: Melanie Spinella <[REDACTED]>

glad to see you are personally on the mend - as well as the fence. -- As you know i dread money discussions with you-- however -we should address the issue of what you would like to do moving forward. re- do family office, accounting trusts , estate and apollo agreements . Along with your " payment " last year we agreed . no further obligations on each side. yes, i continued to moan. I realize that though I ve done quite a lot this year already , it is not your responsibility. . As you often like to remind me- you've paid a great deal of money to date. that being said - If you want my involvement moving foward, I suggest you pay my regular l fee of 40 m . 20 now . 20 on completion or as per the invoice issues at the end of last year pay 30 all at once. -

To help out . im keenly aware of your current cash position. so I will consider an in-kind payment - real estate (Miami), ,art , financing of my new plane (allows you to spread over years or of course the preferred cash. Get rid of Castrucci,it is over a year since the same story of findign the right guy at the top. you entire accounting needs to be re done. , office downsized, reporting re done. meetings to recitify, categorize , the various docs re appollo , rowen , suydam, alan etc. Brad can direct investment guys, (hopefully) my people will be in your office for a few months . reorganizing IF you decide not to pay I fully understand, as I m sure you will re my no longer spending any serious time on these things.

Of course re any non financial issues , I am always there for you and will continue to be the best friend I can be .

Steve jobs said that everyday he woke up , and asked himself , if he knew he was going to die tomorrow , would he do the same thing that he had planned for the day- he wanted to check that he was doing things that he really wanted to. after three days of getting back an answer of no, he would change what he was going to do. . he also did not believe in LONG term plans. I dont think either one of us will figure out what we want to do long term so my thinking is that we should try to have fun everyday, and welcome serendipity.

I think another trust and estate lawyer should be brought in to deal with the issues of how not to allow your family to get screwed by your partners on death . Alan, for years told me that paul weiss had drawn the docs so no issue but when recently pushed by my new fire drill he asked akin to draft .?! PLease ask brad about why he keeps talking about flow . I dont know what he means, its so silly . . this is only about money control and protection .

I am leaving monday night now. free to speak in the afternoon

Date: Tue, Apr 12, 2016 at 11:49 AM

Subject:

To: Melanie Spinella <[REDACTED]>

use tax questions. ? california question state returns? as you know wendy did not play a role here. . her involvement moving forward would help alot. . sign your gift tax return today if possible . I will be finished tomorrow with this year. crazy on april 13th. !! . last minute to say the least. . brad told you the tra can be separated with approvals. which should be simple. . alan always just says no , . unless he is asked , well what if we amend what is there. . moving forward , i ask you to decide if you want me and my team involved or not. . I want to be weaned. I agree the past , apart from phaidon and artspace. this year of course is done. . for me to allow bad reporting to negatively impact you, by keeping joslin, would be irresponsible on my part. . letting him do harm, or stopping him and having to listen to his leaving is my fault. is awkward. . I will call at 3

Date: Tue, Feb 9, 2016 at 7:56 PM

Subject: Fwd:

To: Melanie Spinella <[REDACTED]>

this was sent four months ago, nothing has changed

sent oct 15. before big transaction.

Office, - ada goes. , hire heather a paralegal . Joslin goes or is closely managed by new cfo with tax experience. . castrucii goes asap.as he merely adds to mess.(too many people , ex 7 people or more to pay a bill) eva goes. outsource as much as possible. . bookkeeping systems built from scratch, airplane restructure, boat . same, new grats. phaidon sale , decide on artspace survivability, regan, . do the kids really want these? , children accounting ie bens house.etc. re do estate for new facts. redo loans, trading accounts activity, . gaming -foreign- disclosures. . BRH TRA re thinks . household and construction architects. . redone. art partnership , choice of paintings. . re do structure of consultants. tax re family office. . decide if investments are a realistic option in the next three years.. insurance. operations. airplane , etc. . art foundation , private . max charity contributions. financial reports. still waiting. ? on line banking, . tax planning, family office deductions (profit center) . airplane certificate, redone jet aviation redo. . paper gigi (E)trust to avoid gift tax. .

Date: Tue, Nov 15, 2016 at 6:13 AM

Subject: Fwd:

To: Melanie Spinella <[REDACTED]>

Leon, Congratulations on biting the bullet. at least 18 months late , but I m encouraged and glad for you. When you interviewed Brad two years ago you asked that i not tell him what a disaster lay before him. what would you like me to tell Barry?

There is a HUGE amount of work to be done in the next 9 -12 months. mostly the exact same work that i outlined in my email of 2 years ago. now complicated by years of mess on top. (you can send it again if you like) . Brad wechsler was never up to the task . sorry, I realize I have been saying the very same thing for a long time. he was a not a step up from Eileen but a step sideways. in the beginning there was Eileen and Tom and Ralph Lerner. all your hand picks. then brad. john, Joe. . joslin was chosen from a pool of 2 people. each that would be limited by a salary of 250k. (yes i personally augmented his comp in order to get him) I did say hire both Lisa to do the bookkeeping and joslin tax, He complained for over a year , re his direction by eileen and ada , and then brad. His breakdown was not a surprise after months and moths of warnings. Though disabled, he ran your office this year. with john and joe. He ran amok, and as i told you he rarely failed to remind me in our conversations that you told him that he works for you and not for me and that brad needs to pays him .

. Asking me who to hire , estate attny tax people etc. :

I have taken heat for years over the fact that i gave you no more than carlyns name, . no follow up questions no interactions , not even one single question asked of me re her work. (that was Eileen) but somehow carlyns fuck up was my doing. . when i told you that i thought Eileen wasn't up to the task, you bellowed that i was talking out of both sides of my mouth. . You told me this year , that by trying to protect you from crazy joslin, I had in essence fired him and it was my responsibility to do his work. it then turns out that he didn't consider himself fired at all he just received less money. and continued to make a really dangerous mess. . Joshn castrucci, in your eyes , was also my doing , though email after email said , I take no responsibility for him,and iYOU SHOULD NOT HIRE HIM .!!! , , your response was that was my opinion was only because i didn't trust him. then to add insult to injury last jan you told me he was gone. however he too is still there, and a waste of money and space.

My time is complicated by Donald's potentially eviscerating any reason for anyone to use the foreign funds repatriation plan that i had put together. . however as you are aware I have some decisions to make re my time allocation in the next year or two. so at least for a few weeks I am unable to commit much time and make any future plans to guide you in the redoing of your procrastination produced mess.

That being said , the tasks at hand are the following.

You have a bomb of colored string that your retarded children have formed , It has to be very carefully unwound , even the substitution of Barry for your next trustee, needs a careful focus on procedure.s It would be much preferable if Wechsler was not his replacement. do you have any person you trust ??? . I am concerned re brad taking barrys place re XXXX. In the beginning Barry will need to find and learn ACCURATE . org charts. books , balance sheets . trust valuations. are all a part. Barry will need 2 months to just get his arm around what is there , this is before any needed modifications.,

a way overdue re- fresh of your estate plan . . clats , trust. partnerships. grats. llcs. bank accounts , filing requirements. etc. the long awaited review of the brh tra and shareholders agreement to see how they fit into new plan. . "XXXXX" planning. art partnership engagement .. , airplane re-do. , buying another. . ? boat sale , Miami sale. . TRADING ACCOUNTS. . three years over due. . an accounting system. fire john .. joslin stays for a year. or so. so does tom and . except for heather everyone should be replaced with new. . Sell Artspace and shut down regan arts. . rationalize. cash flow reporting. cash mgmt. stock sales. sec irs. gaming. foreign reporting. the

8865 mess will take months to review now . . you CANNOT file unreviewed audited documents. . CANNOT!!! this will be very detailed work. . a self inflicted wound - all avoidable if professionals had been in place to limit . or contain it. . . you will need 3 new hires .as there is no one in your office that is truly an A player. I have great hope in Barry as you know. He will need to be trained. note

; One year is my guesstimate After 4 years of telling you , that you could do better than Halperin, : im glad that you now are willing to follow barrys advice . I take no offense , in fact I take comfort in the fact that after only one conversation with Barry you are now convinced to make that change . will take a year or more.

I expect as a friend you will understand that

I will no longer , not even for one day , work on your affairs . without the compensation that is long overdue. . your unilateral idea of after care , not imposed on any other professional , except me, not paul weiss ,(caesars alone , a direct screw up on their part) tom, akin, , no one. needs to end. . you and I had previously agreed no more of that , and this after you decided not to pay me per our agreement. to be fair I can not say im surprised as you have email after email , stating that , if you save a great deal of money, you wont want to pay , so limit it to 40m per year. - water under the bridge

If I can find the time to work , on your project , which is not by any means certain as I have said , I hope you understand that it now will have to be under my standard terms and conditions. and well documented so as to avoid any more of the he said she said. I never want to have any more uncomfortable money moments with you , I find it very distasteful. . so to be clear , my terms are as follows . I will only work for the usual 40 million per year. It needs to be paid, 25 million upon signing an agreement . 5 million every 2 months thereafter for 6 months ie march may june . this can begin if i am able in January. I will immediately stop work , if the payment is not received. If you want me to work this year until Jan 15 , it will be 10 million. paid upfront. after one year you will be left with a new estate plan a running office. staffed with professionals overseen by Barry. (hallelujah) a tax plan . and an investment that returns more than any painting you could possible own. . no agreement - no work. however - I of course will talk to Barry for the hour that i promised , and take your guidance as to what I should say.

her the last two places. ?

To: Melanie Spinella <[REDACTED]>

Leon please read the attached proposed response to the IRS , see if you can understand it !!! I've asked for a re-do. and given preliminary directions to Alan to have it edited over the weekend

. If you are quarterbacking ,ok with me. just please let everyone know. you must deal with the outrageous incompetence in your family office .. Alans words " but I was told that.. , but I was told by the office (sic) that ... , BUT i was told by joslin,. , but I was told by . " why is leon blaming me for .." . I've always given you my best advice, If you reflect on your financial life , you have been kept

safe , had remarkable results and no disasters. I have repeatedly urged you to get rid of the people in your office. , you have repeatedly chosen to ignore my advice , you told me last week that the emotional reason was in order to be weaned off my group and not have to pay my high fees. (though ignoring the benefit of between 1.5 and 2b to the better.) . and no explosions. You have email after email ,where i remind you that I am not your bookkeeper or accountant (in brads corporate speak his" finance dept ???!) that it should be redone .I have reviewed a multitude of the silly reports given to you and have pointed out the continued numerous inaccuracies . your question " so what if the numbers are off , so what if the categories are off. whats the big deal??. I suggest you de risk you finances and make the tough decisions necessary - pay the right amounts (high) to get the work done properly or , you are , Im afraid, certain to get an unhappy answer.. tom will be back from vacation. this week.

----- Forwarded message -----

From: **Halperin, Alan S** <[REDACTED]>

Date: Thu, Apr 28, 2016 at 5:16 PM

Subject: Valuation Discount

To: "jeffrey E." <jeevacation@gmail.com>

I am attaching a draft response from Empire Valuation as to why it arrived at a valuation discount on the low end. Let's discuss the response and next steps. Thanks. Alan

Date: Tue, Feb 24, 2015 at 8:20 AM

Subject:

To: Melanie Spinella <[REDACTED]>

Leon,

Yesterday , I again spent hours upon hours of my time with your office. ,(speak to brad to get flavor) and you and i will discuss the results in gory gruesome detail on Friday. it mirrored many other weeks spent doing the things that I don;t have the time to do.

In order to keep things in perspective, maybe reviewing an analogy I have used before with you, might be helpful. You and your family are a 6 billion dollar corp. with an income between 250 -500 million dollars per year. It contains a few operating biz's , a large wide array of existing investments, in various categories , a desire to enter into others. A panoply of loans, notes. purchases, wide range of all types of taxes. , planes. boats homes. . trusts ,grats. a crazy number of bank accts. (with no oversight) . law firms, acct firms, 800 page tax returns, foreign firms. art

consultants. construction consultants bill payers, home mgmt., vast multitude of llc's , including foreign, and with all that you only have a combined overhead of less than 3 million dollars.

I have previously sent you the very same note that I have enclosed again below ,this time with highlights . I wrote it to you over a year ago. As my acute disability (selective memory) seems to have been raised as one of your concerns , as a rule I try to memorialize things in writing in an attempt to lay out issues that I fear may later turn out to be a problem. ie what I would and wouldn't do , - my responsibilities. etc and those things that are not. below you will find details of things that I thought needed to be done, so that you wouldn't find yourself in the very place where you currently find yourself. however ,you chose to defer many of my suggestions- see below - ,until only weeks ago. ! you chose to defer the jpm acct. the art partnership on and on - into this year. and though the 60- 50 40 timber emails all carried with it a clear warning that you needed to do something re personnel if it were to stabilize,- you chose to wait.

ONE YEAR AGO

Feb 17 2014 I wrote :

With regard the more pressing issue I am uncertain of just how to proceed. I am torn, as my very strong inclination is not to be involved at all . It is extremely time consuming, delicate, fraught with many pitfalls many that will make you very upset and a major pain in the ass. I wrote you months ago that the quality of the people involved need to be upgraded. (lucky for me these last issues arose way before the beginning of my involvement) I am also aware however of my overarching friendship obligations of ok, -given all the complexities who else can do it? problem.

Your family office needs a daddy. children with good intentions are running around , sniping , nitpicking with little direction. As a stopgap measure I am suggesting , we put in Larry Delson to take charge **Everyone would report to him. Eileen included.** He would however work for me. this is not, by a long shot my first choice as I prefer only being responsible and standing behind my own personal work (ie the word DONE will no longer be transmitted to reflect status stated by others)

With no commitment on my part whatsoever, to do it. So far as I have failed in my attempt in trying to think through the problem creatively . **My organizations handling of the more complex issues I believe you might find very costly,** very ! (however many structures available some risk sharing, maybe risk caps ,etc) but would **require my teams doing the work** , not yours. Ada should be only a trust, grant administrator. not sure what role you prefer for Eileen as you hired her initially to oversee investments. whether Rich your controller stays or not, is not urgent. having Tom report to a new person,- is. coordination with Suydam Kathy Gregory, I would suggest limiting to one person. The increasing public profile needs to be taken into consideration.

TODAY

With your acquiescence, Eileen did not report to Delson (he acting as a conduit directly to me), she continued to provide bad info to both you (cash flows, stock accts, structures, sales Etc) and me. and each time with my many annoying calls to you made immediately afterwards that she was g.....y !! No one was hired to run YOUR office until two months ago, no one was even interviewed and even now, Brad, a very nice man, is not even full time, (crazy) Hours upon hours of time need to be spent training him and his new staff. Eileen followed your instructions. not mine. in fact she continued to ignore mine saying "but Leon said" or "its on Leon's desk etc", You would become frustrated when I pointed out each instance. of her obfuscation. originally you were given the clear choice, but to save money, you chose not to hire my team. I was hired to do the architecture, you kept your own team. with Eileen at the head. instructions were given by me, detailed but ignored by her. (except in the instances where I inserted myself and personally had to do the weeks of grunt work), ex. jpm morgan acct still not in use? That being said, If you do the cold calculation, starting from where you were, to where you are currently, you have made a hell of a deal. -- negotiating down my original amount requested, calling upon our friendship and suggesting that the Carlyn mess was partially my fault. (though in that specific example, I had never been asked to do more than merely provide you the name of the most highly recognized atty in the field, not consulted, nor even asked again for my guidance along the way.). I accepted the discount as your friend. (by the way, suggesting now, that your Tom is now that last word on tax characterization, frankly is a bit much,-). however - that is all in the past.

In order to move forward

I would ask that you realize that very unlike yours, My business is only comprised of my personal attention and my personal time. Time that I was forced to grossly overspend on your various issues last year. As you are my very close friend I will not have you participate in a bidding process that I have decided I will have this year for my time. (hopefully a more fair way to allocate) I would also ask that you keep in mind that though our deal expired months ago. (also keeping in mind, that your understanding of the final payment terms neither reflected the emails or my memory, we finished it up your way.) I have answered every call Brad, Joslin, Ada or you, have made. reviewed docs over and over/ until once again, I was forced to insert myself strongly as I thought it dangerous not to. I made serious dollar and time concessions last year. very serious I am willing to continue to accommodate some of your concerns, but I am, under no circumstances, none, willing to spend my time for free. its not fair. After cleaning up Carlyn's mess, which was a few weeks and 30 million dollars. We were both highly aware of the dire circumstances in which you found yourself last year, and in fact due predominately to its seriousness. and those very circumstances I took extra care in our negotiations. (you had claimed I had you over a barrel, (a horrible position to be in with my very close friend.), unfortunately I fear that if you are not cautious, in the near future, another barrel will appear of your own design)

I heard you when you said you believed I had already been paid for the work that is now required. The art partnership has fully answered all your concerns and discharged all my obligations and more

EFTA00812261

so. . (FYI Carllyns art partnership that you referenced is similar in only its title.) You will also recall that you required that my payments be at the end of my work not at the beginning as everyone else's .(my work was never to include hours upon hours of training your staff). I eventually agreed, this of course should make clear that the 2014 tax year that will close Oct 2015 is not covered by our past agreement at all. I pointed this very fact out to you when I initially proposed a multi year agreement right out of the box. you said you preferred not. As you said ,I have produced results to date, far in excess of even my own exalted opinion of my projections. I have devoted a monumental amount of my limited amount of time-- way, way in excess of our agreement. I will be fair, I am willing to roll in the amount still outstanding from last year if that helps .. However, As my best student , and my only one, you are now capable of doing most, if not all, of the required work yourself. I can put my whiteboard away when you come to eat and just have fun, trade stories,. share moments ideas etc. . I am of course always available to guide you as a friend if you choose that route . always . It will take a great deal of your time , but you will not have to spend any more money on mine .

We are scheduled to meet fri at 430 , I leave at 5 am sat morning.

Date: Tue, Feb 24, 2015 at 8:20 AM

Subject:

To: Melanie Spinella <[REDACTED]>

Leon,

Yesterday , I again spent hours upon hours of my time with your office. ,(speak to brad to get flavor) and you and i will discuss the results in gory gruesome detail on Friday. it mirrored many other weeks spent doing the things that I don;t have the time to do.

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With regard the more pressing issue I am uncertain of just how to proceed. I am torn, as my very strong inclination is not to be involved at all . It is extremely time consuming, delicate, fraught with many pitfall many that will make you very upset and a major pain in the ass. I wrote you months ago that the quality of the people involved need to be upgraded. (lucky for me these last issues arose way before the beginning of my involvement) I am also aware however of my overarching friendship obligations of ok, -given all the complexities who else can do it? problem.

Your family office needs a daddy. children with good intentions are running around , sniping , nitpicking with little direction. As a stopgap measure I am suggesting , we put in Larry Delson to take charge **Everyone would report to him. Eileen included.** He would however work for me. this is not, by a long shot my first choice as I prefer only being responsible and standing behind my own personal work (ie the word DONE will no longer be transmitted to reflect status stated by others)

With no commitment on my part whatsoever, to do it. So far as I have failed in my attempt in trying to think through the problem creatively . **My organizations handling of the more complex issues I believe you might find very costly,** very ! (however many structures available some risk sharing, maybe risk caps ,etc) but would **require my teams doing the work** , not yours. Ada should be only a trust, grat administrator. not sure what role you prefer for Eileen as you hired her initially to oversee investments. whether Rich your controller stays or not, is not urgent. having Tom report to a new person,- is. coordination with Suydam Kathy Gregory, I would suggest limiting to one person. The increasing public profile needs to be taken into consideration.

TODAY

With your acquiescence , Eileen did not report to Delson (he acting as a conduit directly to me) , she continued to provide bad info to both you (cash flows , stock accts, structures. sales Etc) and me. and each time with my many annoying calls to you made immediately afterwards that she was g.....y !! No one was hired to run YOUR office until two months ago , no one was even interviewed and even now , Brad, a very nice man, is not even full time,(crazy) Hours upon hours of time need to be spent training him . and his new staff. Eileen followed your instructions. not mine. in fact she continued to ignore mine saying " but Leon said " or " its on Leon's desk etc " , You would become frustrated when i pointed out each instance. of her obfuscation. originally you were given the clear choice, but to save money ,you chose not to hire my team . I was hired to do the architecture, you kept your own team. with Eileen at the head. instructions were given by me, , detailed but ignored by her. (except in the instances where I inserted myself and personally had to do the weeks of grunt work),ex. jpm morgan acct still not in use? That being said, If you do the cold calculation ,starting from where you were, to where you are currently . you have made a hell of a deal. -- negotiating down my original amount requested , calling upon our friendship

and suggesting that the Carlyn mess was partially my fault. (though in that specific example , I had never been asked to do more than merely provide you the name of the most highly recognized atty in the field, not consulted,nor even asked again for my guidance along the way.). I accepted the discount as your friend. (by the way ,,suggesting now, that your Tom is now that last word on tax characterization, frankly is a bit much,-). however - that is all in the past.

In order to move forward

I would ask that you realize that very unlike yours, My business is only comprised of my personal attention and my personal time . Time that I was forced to grossly overspend on your various issues last year. . As you are my very close friend I will not have you participate in a bidding process that I have decided i will have this year for my time . (hopefully a more fair way to allocate) I would also ask that you keep in mind that though our deal expired months ago. (also keeping in mind , that your understanding of the final payment terms neither reflected the emails or my memory, we finished it up your way.) I have answered every call Brad , joslin, Ada or you, have made . reviewed docs over and over/ until once again, I was forced to insert myself strongly as I thought it dangerous not to. I made serious dollar and time concessions last year.very serious I am wiling to continue to accommodate some of your concerns , but I am, under no circumstances , none, willing to spend my time for free. its not fair. After cleaning up Carlyn's mess , which was a few weeks and 30 million dollars . We were both highly aware of the dire circumstances in which you found yourself last year, and in fact due predominately to its seriousness. and those very circumstances I took extra care in our negotiations . (you had claimed I had you over a barrel , (a horrible position to be in with my very close friend.), unfortunately I fear that if you are not cautious ,in the near future, another barrel will appear of your own design)

I heard you when you said you believed i had already been paid for the work that is now required. The art partnership has fully answered all your concerns and discharged all my obligations and more so. . (FYI Carlyn's art partnership that you referenced is similar in only its title.) You will also recall that you required that my payments be at the end of my work not at the beginning as everyone else's .(my work was never to include hours upon hours of training your staff). I eventually agreed, this of course should make clear that the 2014 tax year that will close Oct 2015 is not covered by our past agreement at all. I pointed this very fact out to you when I initially proposed a multi year agreement right out of the box. you said you preferred not. As you said ,I have produced results to date, far in excess of even my own exalted opinion of my projections. I have devoted a monumental amount of my limited amount of time-- way, way in excess of our agreement. I will be fair, I am willing to roll in the amount still outstanding from last year if that helps .. However, As my best student , and my only one, you are now capable of doing most, if not all, of the required work yourself. I can put my whiteboard away when you come to eat and just have fun, trade stories,. share moments ideas etc. . I am of course always available to guide you as a friend if you choose that route . always . It will take a great deal of your time , but you will not have to spend any more money on mine .

We are scheduled to meet fri at 430 , I leave at 5 am sat morning.

Date: Mon, Apr 21, 2014 at 11:39 AM

Subject: trying to bridge the gap.

To: Melanie Spinella <[REDACTED]>

you were at 30 30/ me at 60 40. . / proposal 50 /25 and in additon I would be allowed to recommend 15 from directly from your own foundation. All payments to be made in addition to currently owed. so \$40 on april 25 , \$30 june 15 ,and the already owed \$10 as planned on oct 15. I would direct the 15 charity in the next 12 months, and the last 25 to be paid on conclusion.

leon

10 am - Arrival at White Plains / Westchester Airport

FBO and US customs is "Jet Systems Aviation"

Adress: 85 Tower Road Hanger E, White Plains, NY, 10604

Telephone - [914 428 3730](tel:9144283730)

Date: Wed, Mar 25, 2015 at 11:52 PM

Subject: previously sent

To: Melanie Spinella <[REDACTED]>

I heard you when you said you believed i had already been paid for the work that is now required. The art partnership has fully answered all your concerns and discharged all my obligations and more so. . (FYI Carllyns art partnership that you referenced is similar in only its title.) You will also recall that you required that my payments be at the end of my work not at the beginning as everyone else's .(my work was never to include hours upon hours of training your staff). I eventually agreed, this of course should make clear that the 2014 tax year that will close Oct 2015 is not covered by our past agreement at all. I pointed this very fact out to you when I initially proposed a multi year agreement right out of the box. you said you preferred not. As you said ,I have produced results to date, far in excess of even my own exalted opinion of my projections. I have devoted a monumental amount of my limited amount of time-- way, way in excess of our agreement. I will be fair, I am willing to roll in the amount still outstanding from last year if that helps .. However, As my best student , and my only one, you are now capable of doing most, if not all, of the required work yourself. I can put my whiteboard away when you come to eat and just have fun, trade stories,. share moments ideas etc. . I am of course always available to guide you as a friend if you choose that route . always . It will take a great deal of your time , but you will not have to spend any more money on mine . We are scheduled to meet fri at 430 , I leave at 5 am sat morning. So there are no surprises 50m for the year. . or 30m for until 7/ 15. you can roll the balance for last year as a concession. half up front. no more all at the end. ive spoken to brad every day. more questions than answers. joslyn cannot be left unsupervised. his answers are knee jerk . eillenn told me this , that the other

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Date: Thu, Mar 26, 2015 at 12:07 AM

Subject:

To: Melanie Spinella <[REDACTED]>

you need to build an entire office from scratch. no question that was never my obligation, - systems , personel. finance tax, bookeeping, ,office. complinace. investment. monitoring, banking loans coming due , review. gs jpm gs, . . plane boat houses construction , new will, . phaidon sale. you are no further ahead today than my nov memo layed out = no real candidates. etc .. Ill redo the art partnership under new restrictions of course at no charge, and review the work done by tom/ joslin.

joslin you and I should sit. you won't like it. AT ALL> he is afraid of telling you the story, as he belives brad is your guy and does not want to get fired. ada still refusing to share income tax opinions based on privilege , not under control at all. ? ? joslin said that murphy is not the cfo, as you told me but the coo. and the cfo is the same guy that reported to andrew, mistakes after mistakes not picked up by murphy who joslin described as a kind buffoon . he suggested a new ceo or coo who can make decisions. someone with some financail experience. he asked for a chief decision maker. 50 for year roll in money owed . 30 till july , most up front needed

Date: Tue, Mar 31, 2015 at 3:25 PM

Subject:

To: Melanie Spinella <[REDACTED]>

Nov of 13 : I told you tom Eileen and Ralph were not up to the job, you disagreed very vocally and strongly , " Ralph wrote the book, Tom has been doing it for 15 years and Eileen ran the trading desk at Morgan Stanley. " Ada who had been working on all your documents for years while at the bank had been brought in- house but created more issues that didn't exist. and phaidon was its own animal

Dec 13. you were again annoyed that i said that they needed to be replaced and said "i was talking out of both sides of my mouth." first time (email available)

–

Jan 14, you decided that no third year was necessary for my help. and i told you i thought that unwise and even suggested giving you an option at 40 m so there would be no tension

Mar 14, I told you that to do the job right , my team would need to do it. not yours it would not be inexpensive, but it would get done properly, you chose not to do it and said lets wait and see

April 14. We agreed to clean up various past mess.with the end of my work OCT 15th only then would i get paid.. urged JPM (first of 14 reminders)

GS and db accounts to be set up in order to bring your financial structure into the 21 century

July 26 , I came to bens party, said new people needed to be hired, keep Eileen till end of year, and Ada till march, you suggested getting ada out earlier

oct structured the art partnership , but you wanted to wait until you fully understood ramifications formed the doc in dec to have it in 14,

nov/ dec 14 I told you I considered my work complete separate from art partnership. gave list of things to do.

three months of you and your high school friend , trying to build a house with little of the relevant experience. its silly . still no accurate numbers accounting , charts, etc

jan 15, I told you joslin cannot hire people, has not so for more than 5 years, former job in a public accounting firm.

april 15 . no senior accountant even in the wings. joslin talking about reaching out to hire the only person he knew(worked in the past with dagazsitno) and i interviewed 15 months ago. and rejected. low level . He does not want to hire himself out of a job, spoke to brad last night he wants a coo so that he does not feel demoted

your choice!, (brad maybe does have insight - to your credit, might have been right when he said- jeffrey you should realize this is only about leon not wanting to pay more money , (i ignored his summary , along with his comments on the risk of fracturing

summary

I can either do it for you or not. if i do it it means finding hiring organizeing, structuring reviewing re negotiating, bring in my team under my control not brads. . stop -gap accounting - my people getting the books software and procedure in shape. setting up the various brokerage and bank accounts and rationalizing them, organizing Melanie, TPS , house, and all the intra family notes outstanding, overseeing the phaidon mess.maybe sale re do some of estate given the new circumstances. etc. I've responded to every brad question , given him first lessons , not a good use of my time or his. he should administrate, follow up, have signing authority instead of eileen, (AFTER rationalized accounts). holding a position of trust. ONLY

talk whenever you like, NO STRESS , Mort had a skiing accident and sultan not fully comp es mentes. no stress please for either of us . both of our reserves which are not insubstantial , can use a break

Date: Tue, Apr 7, 2015 at 4:29 PM

Subject:

To: Melanie Spinella <[REDACTED]>

agenda for tomorrow.

- 1 building an office from scratch. who does it. ? so far little or no progress in real terms.
. brad should remain and can administrate. follow up methodically, . has no idea of correct questions to ask. or understanding of family office issues. procedures checks and balances. etc
.. consultants , diana goldner foundtaion woman?. office . focus .
 2. without strong , very strong direction, joslin will not make it. does not know where to focus. who to respond to. and how. unfortunately now getting more and more answers like the powers that be , want it that way.??
 3. the priority list is still virtually the same , since dec. . accounting system. redone from scratch. etc.
 - 4 . it will take 9 months. at a minimum now. . an outsider brought in when everything is clean , including phaidon, notes. eileen. banks, jpm db, bam, etc.
 - 5 disposition, of Phaidon. art space regan etc.(resseller??) . sale of boat. plane . art , stock, investments, athene? etc, tra, brh.
 - 6 . new IT . complex. household . payroll insurance . recurring bills.
 - 7 estate modification given new circumstances and altered probablities. (use etc)
 - 8 charity, new trusts,!!d IPI< harvard . fees,
- I spoke to brad and made him aware of all my concerns and propsals to move forward. he is desperate for help

Date: Tue, Apr 14, 2015 at 11:53 PM

Subject:

To: Melanie Spinella <[REDACTED]>

saved you 500k at the last minute, . brad has had the same chart since march 16th, its his job to review NOT MINE .appears he is one of those living in the dark leiwe. I found 8 million dollars today, missed deductions. . not yet in the numbers, .?

Date: Tue, Apr 21, 2015 at 1:10 PM

Subject:

To: Melanie Spinella <[REDACTED]>

emblematic of my frustration and ,in the end what I believe is a waste of our time energy money and resources. is the very simple question of bidco bank accounts. 4 months ago I asked the question , does it have a bank account and if so , who has authority, where is it located and what transacations ran through it. it is only one question out of hundreds that need to be answered. hundreds. . you asked that i not behave like Zeus and try to explain why I want need certain things. since i said to placate Brad's inquisitive ness and his desire to learn I said a filing might be required. instead of merely getting me the answer. he has talked to joslin paul weiss , you , you wanted to ask brad karp. (maybe a filing that reopened things,)

none of this as a practical matter has any influence upon the ultimate action taken . I merely needed to know a simple answer. and today after asking at least every week since then do not have an answer . I have been trying not to add stress to your day. i try to explain things and take the time to do so gently, (not my forte . this is one question out of hundreds. the fact that a 21 year old was in the office only xeroxing for a month, was obvious to everyone in the office. having a 26 year old xeroxing instead doesnt move us forward, answers first. copying old files. can wait.

Date: Wed, Apr 22, 2015 at 1:56 PM

Subject: another flowery email.

To: Melanie Spinella <[REDACTED]>

I am sorry. I realize you are under tremendous stress, In Bedford you asked me for my help I could not have been more clear that thought it very unwise as in my words I did not want any financial arrangment between us, it risked conflict and tension what neither of us needed more of. and did not want to risk torturing our friendship into the likes of the kind you have with Mark nor Josh, : now,- I dont have anyone but you yelling at me , in my own house. no one. it is highly unpleasant but I am trying my best to be understanding . sorry . From the outset and as you told me you recall. i tsuggested that three years should be the period of engagement. as planning is not a one year exericse . you declined to commit to a number of alternatives presented to you for payment of the third year. I told you in nov that you should decide whether to now sign on for that very third year as the vast majority of my work ended

on oct 15. you recently told me you thought i was kidding. .you hired brad patting him on the back that after months of inquiry he can now, finally tell you which llc owns the cars??

once he has all the facts what next ?? . whether or not you refer to a portion of the third year as after care, or whatever term besides 'scoundrel' you choose to use, I m not sure why you assume now it should be free.(I HATE THIS CONVERSATION < HATE ,) and i heard you when you said you told me what was I work still to be done you thought valuable enough to pay for. please tell me . and then we can decide the next steps ,, if any. I consider my work rarefied art. I guess the value is in the eye of the beholder . IT reminds me of those people looking at a modern art piece and saying " my child could do that " . hope you are feeling better.

Date: Fri, May 1, 2015 at 12:50 AM

Subject:

To: Melanie Spinella <[REDACTED]>

ada and brad are responsible for the loan ,. docs, at a minimum , leon he hasn't read the financial statements SINCE DEC. !!. impossible ,had he done so the silly numbers jump off the page . (sent in another email). it is a financial office., 190 million sitting unused in CASH , budget and planning person for what , its not a public co. ? townhouse construction , household operations, boat, plane, taxes, we went through this with the cash flow. you and i know approx how much each will cost. its a week job not a full time one- ada has no lien copies. none. ?! impossible not to know , ask, question? two senior accountants CPA s. not the 75k girl that they hired, . IT professional backed by a firm. high quality,can we tap apollo resources? new lawyer , heather level . new receptionist, and bookkeeper. get rid of ava. next could be new office ,new furniture , , the whole place reeks of cheap. IT IS MAY< I have not been asked to interview one person to date. not one. having cpas in there tomorrow would go a long way. i dont understand the time line, coo first. ? in by july?? cpas in by sept . tax return due oct 15. ?

Date: Fri, May 1, 2015 at 2:36 PM

Subject:

To: Melanie Spinella <[REDACTED]>

I know that both you and I heard brads'. im out of here if i dont get a coo. . sorry,. i know that neither of us have stood in the way of his finding/ getting one.. JPM account DB account GS account, ??? its MAY 1. nothing in the first quarter and these are only papers that need signing.

I suggest your thinking on my role and compensation for my work might benefit , from a mental shift - think mark and josh, without the mutual resentment (HAHA) only in terms of sharing ,thanks, I am and have been your financial partner i.. rectifying circumstances that appear in hind sight unexplainable. I wish you would have asked me earlier to review your things , but i understand. I do know that solely as a result of my actions your personal bottom

line has increased dramatically, if you had thought of me as your partner in this endeavor, instead of an employee, i think your reaction to sharing t benefits would be different.

If you recall, you wanted me to be paid, unlike others at the END of my work. we discussed this ad nauseum, and agreed OCT 15, last year was the end. You had wanted more comfort initially on the art partnership so that date was delayed. It has now been six months since then, your concept of aftercare. for free. was already unique, in your words this has to have an end.(weaned) if the actions of josh and mark led to one hundred million dollars, what would be their share. Im not sure why it is different in your mind. but i respect the fact that it is, Is it because their work seems harder. it cannot be simply because they devote more time to you .or it appears to involve more effort. I am happy to continue to play a partnership role. as I have been in many areas of your life. . I am also happy to move on and have no more of these emails. I find them as tedious as you do. if you prefer a partnership structure, ok with me, I tried to minimize the amount of money i would receive by making it a flat fee. as i wanted you to feel good and have no second thoughts somehow if the payment comes from a partnership structure you seem relaxed as opposed to writing a check, I focus on trust and friendship first, and the fact that you don't include josh and mark in that category, gives me great pause. I proposed 33 percent of money made for you. in the past you agreed that amount. it will be huge, but ok with me, I can talk today at 945 as you suggested. or if you would rather over the weekend ok

Date: Fri, May 1, 2015 at 7:08 PM

Subject: Fwd: Picasso agreement - question

To: Melanie Spinella <[REDACTED]>

silly

Date: Fri, May 1, 2015 at 12:27 PM

Subject: Picasso agreement - question

To: Brad Wechsler <[REDACTED]>, "Jeffrey Epstein (jeevacation@gmail.com)" <jeevacation@gmail.com>

Brad and Jeffrey,

Gagosian has one final change to the Picasso agreement. As you know, we have structured this agreement with the Buyer as either Narrows Holdings LLC or AP Narrows LP, and given both of those entities the right to assign the agreement to any one among Leon, Debra, the kids, or family trusts including APO1 and APO2.

Gagosian wants us to agree that, if Narrows/AP Narrows assigns the agreement to someone else, Narrows/AP Narrows "shall not be discharged from its liabilities under this Agreement and shall remain primarily liable to Seller." Larry is concerned that we might assign to the

Black kids or to a trust that has no assets, and then when he has to sue us because we don't make the final payment of the purchase price but have possession of the art, the entity/person to which we have assigned the agreement has no money.

I think this is a valid concern and that we should agree to it.

However, Ada just reminded me that it is possible that Narrows/AP Narrows (really, Leon's) agreeing to effectively guarantee payment by the assignee might be considered a gift to the assignee. In the discussions with Alan about rearranging the bank loan once AP Narrows is operational, Alan agreed that there could be deemed to be a potential gift from Leon to APO1/APO2 if Leon provides a guarantee to the bank that is for the benefit of the trusts as partners in AP Narrows. Alan suggested mitigating this risk by having the trusts sign side agreements with Leon which say that if AP Narrows defaults on the loan and the bank goes after Leon on his guarantee, the trusts will make him whole.

This issue only arises if we assign the agreement. The risk is also limited in time because it would run from the moment we assigned the agreement until the final payment is made, which even if we assigned immediately after signing, would only be 11 1/2 months.

Shall I agree to Gagosian's request that Narrows/AP Narrows remain liable even if they assign the agreement?

I'm in the office if you would like to discuss this, but I would love to get back to Gagosian ASAP so we can have this agreement signed today.

Thanks,

Heather

Date: Mon, May 11, 2015 at 3:08 PM

Subject:

To: Brad Wechsler <[REDACTED]>, Melanie Spinella <[REDACTED]>, Ada Clapp <[REDACTED]>, Richard Joslin <[REDACTED]>

lets look at funding the art partnership begin with 100 m of unencumbered art. plus 20 investment. and the same amount of value from trust. leon should choose b trustee and begin to use mechanics. . later we can amend and add .

2 hire an IT person asap

3.I would hire jerry the woman. gittis. person

4 .I will find a subpart k person to handle partnership acct

5 , accounting software upgrade, onlilne banking needs to be seamless

6. not sure status of bringing plane boat acct inhouse?

7 prepare fbar report for june. draft next week

8 pahidon actuals vs projections. . new valuation

9 . new valuation of tra contract?

jpm db goldman sachs acct? new llc?

review of dec 31 books for all entities? bfp . etc

Date: Wed, May 13, 2015 at 3:04 PM

Subject: Fwd: jobs ahead

To: Melanie Spinella <[REDACTED]>

the list that we discussed.. i spent time with brad again. re the candidates . filing due, this week, next month, .

Date: Sun, Dec 28, 2014 at 5:18 AM

Subject: jobs ahead

To: Brad Wechsler <[REDACTED]>, Melanie Spinella <[REDACTED]>, Ada Clapp <[REDACTED]>

1. review accounting system. Book keeping software. staff, (senior accountant) methods on line banking, brokerage. cash mgmt. airplane reimbursement. boat sale. art purchases sales use and sales tax. tax filings FBAR FATCA, gaming commision, pfics, insurance . uk co law.

2. review docs for TRA BRH grats, trusts, heritage will, insurance, art lending. medical, springing powers. two fire drill books. one needed for injury. other for death

3 review bills . boats , planes, legal, (PW, McFarlands all outside. legal and accounting. Toms bills over 400k . house projects. south ny ben

4 cashflow projections tax projections , interaction with Apollo accounting tax, Phaidon ,art space ,and Regan. legal accounting. audit

5. children meetings , review to date and allocations

6 review all role in payables. files scanned, no paper

7 review invesmtents for tax basis and unrecognized gain

8 schedule of all hedge funds . redeemables commitments etc.

9 charities pledges structure, staff ,

Date: Mon, May 18, 2015 at 2:17 PM

Subject: agenda for tomorrow

To: Jeffrey Epstein <jeevacation@gmail.com>, Melanie Spinella <[REDACTED]>

as a reflection on your voiced spirited concerns in the what have you done for me lately category ?
)):: . in the beginning . there was eileen and tom. (eve and adam,-- however it appears, she declined to eat the apple from the knowledge tree)

. that was it. ada was at the bank but reviewing docs. carlyn was in the kitchen making mush (abel and cain)

books as they were mysteriously called was being kept solely by eileen, with little or no input, correction or advice from tom. herarely if ever asked questions. expenses ie airplane was done in house apollo. (1031 exchange blown etc) at this time

as I recall you got quite annoyed, and aggressive and initiated the " talking out of the both sides of your mouth " tiddy, when i suggested that the level of their competence left much to be desired. (ralph lerner's came later) .response - eileen ran the desk, tom is a partner, ralph wrote the book etc

re tax there was almost no oversight of income, estate, gift ,sales and use, transfer excise etc . IRS SEC GAMING NYS. real estate, valuations (many)tax filings- disclosures, etc. re grats trusts defect trusts, lles corps , trustees , partnerships. foreign corps. 100 bank accounts. gift taxes, , loans, notes. payables. expenses. , insurance.(life , art, split dollar), cashflows, operating biz, , investments, contingent liabilities.(funds , miami) , commitments dividends, BRH TRA, shareholder agreements, bank loan agreements. wills, construction, , contracts planning permits etc..employ rules. checking account reconciliations, credit cards. jewelry , cost basis ,(art stock etc.) foundations regs , brokerage accts, old stock certificates. stock options,(environmental solutions still not done !). estate tax calculation fire drill, (note ,basis etc) low basis , step ups , however with no accounting system, no review of boat expenses plane expenses etc. . many outside counsel with little or no coordination.

Paul Weiss , Mcdermit Will, Macfarlanes. Price Waterhouse , Reich, withers bergman, Empire, , akin gump, bbd seidman, Wendy , Apollo in house .

lumber, knowledge universe, environmental, solutions 12 mii in stock, . on and on

the priority list that you asked me to prepare for brad and you in dec , unfortunately so far , little change ie no accounting system that ties, no, brokerage accounts though strongly suggested , jpm db, gs, april of 2014 . IT antiquated

dagastino hired , no input from me, julie, temps, paralegals miriam . etc.

still need new accounting system - on line banking . staff hires. (seprate from samantha two years out of school). audit system, . ?? john murphy? joslin? dag? eva? . i strongly suggest workers at the highest level of competence. two senior accountants. not managers workers who will get into the weeds. partn expertise, , replace ava, get heather help. a new person legal , new IT,system and person, way way overdue, new receptionist, bill opener, ability to oeeversee

in house, boat plane review household (12million) review, filings- partnership accounting,- familiarity with grats, trusts etc . audit system put in place. that should be the easy part. then strategy to deal with : As new facts on the ground develop , phaidon debra, children meetings, ? stock sale sale of art , apt(large gain), 1031 trade in , plane depreciation, boat sale. construction , brad will oversee brokerage and investment, ?? pe. real es, . publishing, grats, tra, brh (death). foundation , museum, tax proejctions cash flow projections, coordination with tax from apollo. etc

Date: Fri, May 29, 2015 at 2:53 AM

Subject: ulysses 2.0

To: Melanie Spinella <[REDACTED]>

I realize it is only due to a lack of understandind of the job ahead. and not out of any sense of unwillingness to pay

- as opposed to merely hiring people to set up a family office, someone will have to do the following- separate from the art partnership which is my responsibility . there still needs to be a huge amount of work done for 2015,16. not to mention that brad at the moment is going to have train the incoming team?? your call

strategic decisions re estate and other planning , sale of phaidon etc. . in addition setting up for the accounting for each strategy ie.:

income, estate, gift ,sales and use, transfer excise picasso, 1031 calder. . review and detailed oversite of IRS SEC GAMING NYS. real estate, entity valuations (many) tax filings- disclosures, follow up of grats, trusts ,defective trusts, llcs corps , trustees , partnerships. foreign corps. 100 bank account need to be rationalized, not only having brad step in to children investments . gift taxes, trust , loans, notes. payables. expenses allocations . . , insurance.(life , art, split dollar), cashflows, operating biz, , investments, contingent liabilities.(funds , miami) , commitments funds and charities , dividend treatment -important review of transctions relating to BRH (amendments) TRA sale (nuanced) , shareholder agreements, bank loan agreements new bank relationships. . wills, construction accounting and oversite , contracts planning permits etc..employee rules, regs, . checking account reconciliations, crediti cards. jewelry , cost basis ,(art stock etc.) foundations regs , brokerage accts, . stock options,(ie environmental solutions still not done !). estate tax calcuation firedrill, (note ,basis etc) review of boat expenses plane expenses, depreciation issues refunds etc. . rationalize all outside counsels and accounting firms

Paul Weiss , Mcdermit Will, Macfarlanes. Price Waterhouse , Reich, withers bergman, Empire, , akin gump, bbd seidman, , Apollo in house counsel.

set up and oversee brokerage accounts at JPM DB GS and thoughtfully trade

. new IT system from top to bottom full time IT person

new accounting system - on- line banking coordinated with reports . fire drills as per caruci (he sounds good) and . audit system,s . review of john murphy? joslin? dag? eva? .

in house, review household (12million) review, filings- partnership accounting,- familiarity with grats, trusts etc . audit system put in place. that should be the easy part. then strategy re:

As new facts on the ground develop , phaidon debra, children meetings, involvement , trustees adjusted, stock sale sale of art, , apt(large gain), 1031 trade in , plane depreciation, boat sale. construction , brad will oversee brokerage and investment, ?? pe?. real estate?, . publishing, grats, tra, brh (death). foundation , museum, tax projections cash flow projections, coordination with tax from apollo. etc

you are sitting on over 100 m of cash????!!

Subject: Re: we're calling the sales tax guy at 6:30 pm - I'll come to your office

To: Richard Joslin <[REDACTED]>, Brad Wechsler <[REDACTED]>, Heather Gray <[REDACTED]>

sorry but this is emblematic of the silliness that appears to continue. 1. How can we ask for a legal opinion when it is crystal clear that we don't yet have accurate facts or numbers , f. 2 Invoices have not been reviewed! corporate structure is convoluted and unexplored in detail. (was the boat captain on the call?) 3 Paul weiss is the attny , and should be charged with getting us info. . 4. Bringing in yet another outside lawyer without full vetting and consideration, a waste of time energy and money. . 5. ex. what is the location of charters shown on the invoice? do you know. . ? if th invoices are incorrect, does that give us any comfort in trying to defend an audit. . I saw three invoices only, and each had a different owner or address . .

Date: Mon, May 18, 2015 at 8:17 AM

Subject: agenda for tomorrow

To: Jeffrey Epstein <jeevacation@gmail.com>, Melanie Spinella <[REDACTED]>

as a reflection on your voiced spirited concerns in the what have you done for me lately category ?)): . in the beginning . there was eileen and tom. (eve and adam,-- however it appears, she declined to eat the apple from the knowledge tree)

. that was it. ada was at the bank but reviewing docs. carlyn was in the kitchen making mush (abel and cain)

books as they were mysteriously called was being kept solely by eileen, with little or no input, correction or advice from tom. her rarely if ever asked questions. expenses ie airplane was done in house apollo. (1031 exchange blown etc) at this time

as I recall you got quite annoyed, and aggressive and initiated the "talking out of the both sides of your mouth" tiddy, when i suggested that the level of their competence left much to be desired. (ralph lerner's came later) .response - eileen ran the desk, tom is a partner, ralph wrote the book etc

re tax there was almost no oversight of income, estate, gift, sales and use, transfer excise etc. IRS SEC GAMING NYS. real estate, valuations (many) tax filings- disclosures, etc. re grats trusts defect trusts, lics corps, trustees, partnerships. foreign corps. 100 bank accounts. gift taxes, loans, notes. payables. expenses. insurance. (life, art, split dollar), cashflows, operating biz, investments, contingent liabilities. (funds, miami), commitments dividends, BRH TRA, shareholder agreements, bank loan agreements. wills, construction, contracts planning permits etc..employ rules. checking account reconciliations, credit cards. jewelry, cost basis, (art stock etc.) foundations regs, brokerage accts, old stock certificates. stock options, (environmental solutions still not done!). estate tax calculation fire drill, (note, basis etc) low basis, step ups, however with no accounting system, no review of boat expenses plane expenses etc. many outside counsel with little or no coordination.

Paul Weiss, Mcdermit Will, Macfarlanes. Price Waterhouse, Reich, Withers Bergman, Empire, Akin Gump, BBD Seidman, Wendy, Apollo in house.

lumber, knowledge universe, environmental, solutions 12 mii in stock, on and on

the priority list that you asked me to prepare for brad and you in dec, unfortunately so far, little change ie no accounting system that ties, no, brokerage accounts though strongly suggested, jpm db, gs, april of 2014. IT antiquated

dagastino hired, no input from me, julie, temps, paralegals miriam. etc.

still need new accounting system - on line banking. staff hires. (separate from samantha two years out of school). audit system, ?? john murphy? joslin? dag? eva?. i strongly suggest workers at the highest level of competence. two senior accountants. not managers workers who will get into the weeds. partn expertise, replace ava, get heather help. a new person legal, new IT, system and person, way way overdue, new receptionist, bill opener, ability to oversee

in house, boat plane review household (12million) review, filings- partnership accounting,- familiarity with grats, trusts etc. audit system put in place. that should be the easy part. then strategy to deal with: As new facts on the ground develop, phaidon debra, children meetings, ? stock sale sale of art, apt (large gain), 1031 trade in, plane depreciation, boat sale. construction, brad will oversee brokerage and investment, ?? pe. real es, publishing, grats, tra, brh (death). foundation, museum, tax projections cash flow projections, coordination with tax from apollo. etc

Date: Tue, Jun 30, 2015 at 12:23 PM

Subject:

To: Melanie Spinella <[REDACTED]>

authorities? tabloid lawyer. 6. have the same types of individuals available in new york if she decides to return as stated. . i prefer former fbi, or immigration one man one woman. . 7 from opening a DA investigation to arrest. how long? 8 , can we open a file in either jurisdiction, and maintain confidentiality.

Date: Mon, Sep 21, 2015 at 6:48 PM

Subject: Re: agenda for today 5 pm?

To: Melanie Spinella <[REDACTED]>

Cc: Brad S Karp <[REDACTED]>

I think that Melanie should set up a separate email account for this correspondence. she currently is on an apollo server.

There is not even a good solution . all have substantial risks. we are dealing with a wholly unpredictable and bad minded person. I and Brad can only make suggestions/actions each less than stellar. - that being said we should do our best to have all the facts . options etc. and to distinguish fact from opinion As the consequences of any decision is likely to have some very bad parts , Leon needs to be cognizant of as much as the downside as we can adequately foresee.

Date: Wed, Sep 23, 2015 at 12:07 AM

Subject: Fwd:

To: Melanie Spinella <[REDACTED]>

jan 2 of this year

Date: Fri, Jan 2, 2015 at 2:55 PM

Subject:

To: Melanie Spinella <[REDACTED]>

Leon, I decided last week that there was little or no upside in disturbing your well earned holiday especially as you seemed so peaceful happy and smiley ,getting yourself in shape and truly enjoying your family time. etc. however the situation in your family office is unresolved. I am aware that brad starts monday however, two last days of the year madness. timber.deal not complete no jpm,acct activity no partnership docs , old stock sales not complete , no bank doc redo. no phaidon note restructure, ., no boat expense review. airplane same ,topco midco.etc still not finished (trustee) , projections mixed with fiction. , legal exp out of control. no care for admin, silly (audit). tom conversation with joslin. notes. debra, trustee notes. trustees hiring . bens audit. interest payable made hoopjumping last day of year. after weeks and months. of lectures , gifts to discuss-staff. -houseproject mgmt. . I will continue to try , I had offered ajoint call with eileen before you left. as i said before , joslin takes instructions from eileen. he said it was made clear to him that he doesn't work for me but works for you. . I tried.

Date: Tue, Sep 29, 2015 at 8:39 PM

Subject:

To: Melanie Spinella <[REDACTED]>

jeffrey

Brad Wechsler is asking if you could meet for a half hour with him and Rich Joslin to discuss Use Tax Refund. Below are available dates/times...below that is your schedule. OK for me to schedule in?:

NO sorry not until i hear from leon

leon. to be fair, I had sent the first note to you one year ago . stating that my work would come to an end on oct 15. that day had meaning as everything would be closed. you asked that i continue to help brad. as of nov though he would officially start in jan. I said ok, but " you told me to continue as we would work something out" I told you my fee then was 40 . feb you came with ben while kathy ruemmler was here. and said next week, debra got bad news. and I quickly prioritized not adding stress to your situation. I wont regurgitate the interim, though millions of dollars were saved since. millions. . it is now one year later and you propose 10 mllion , plus a contingent fee . I have said that i would work with you , and if contingent and a percentage of something. I strongly believe that is not in your interest. I continue to put our friendship first and dont want you to write a check for over 100million andthe i will have to listen to lewie for the next few years. but if you prefer over my objection a percentage deal then it should be of all savings not just phaidon. (a random concept) . The idea that i am somehow even marginally responsible for neither you nor heather , ever telling me that there was an unresolved issue, though you said you had been pinged a number of times is emblematic .

I can do a call with you and Karp. anytime you like today, but i can assure you 100 percent that there is no light between our positions. ZERO. and he is ready to do his best to try to explain it to you.

Date: Thu, Oct 1, 2015 at 11:03 PM

Subject: Fwd:

To: Melanie Spinella <[REDACTED]>

to refresh your recollection, as 4 states. 40 a year for three years. as i said today. . the other was in addition as you recall.

Date: Thu, Apr 11, 2013 at 4:02 PM

Subject:

To: Melanie Spinella <[REDACTED]>

1. 80 percent of contracted job is accomplished, now drafting ,signing and few critical decisions on your part still await , will fill in nec blanks, 1, how much of upside to kids. , 2, protections . 3 allocations. 4. charitable, inventory, securities,

2 .to engage the second phase if you so choose , and considering there is only 8 more to be paid this year in oct , for the job now almost completed, total of 23. that was agreed only for history fix.

3. with the necessary proprietary protections , proposal is for first year only an additional 17 . making it 40 , but full year balance on signing , ie 25. takes care of 2013

4 , moving forward , 40 per year ,(approx 1 percent) for three years, to be credited against an agreed formula. Im open to suggestions total approx 120 for new workover 3 years , benefits to you over the next 20.

5 , can consider interests other than cash as payment. ?

6. need to speak re , bankers, valuations, mechanics and their continued importance.

Date: Fri, Oct 16, 2015 at 4:38 AM

Subject:

To: Melanie Spinella <[REDACTED]>

Office, - ada goes. , hire heather a paralegal . Joslin goes or is closely managed by new cfo with tax experience. . castrucii goes [asap.as](#) he merely adds to mess.(too many people , ex 7 people or more to pay a bill) eva goes. outsource as much as possible. . bookkeeping systems built from scratch, airplane restructure, boat . same, new grats. phaidon sale , decide on artspace survivability, regan, . do the kids really want these?, children accounting ie bens house.etc. re do estate for new facts. redo loans, trading accounts activity, . gaming -foreign- disclosures. . BRH TRA re thinks . household and construction architects. . redone. art partnership , choice of paintings. . re do structure of consultants. tax re family office. . decide if investments are a realistic option in the next three years.. insurance. operations. airplane , etc. . art foundation , private . max charity contributions. financial reports. still waiting. ? on line banking, . tax planning, family office deductions (profit center) . airplane certificate, redone jet aviation redo. . paper gigi (E)trust to avoid gift tax. .

today is Oct 15

With your full knowledge I paid out 8 mil to my staff before june, . so i guess I can safely assume that after consideration of all the things I did for the entire past year separate and apart from your unique free "after care" concept. , what you thought was ultimately fair was the contribution of 5 million to a foundation and a total of 2 million dollars to me.

Date: Fri, Oct 16, 2015 at 1:08 PM

Subject:

To: Melanie Spinella <[REDACTED]>

I think you should consider the fact that your family office will be the most central component of what you leave to your children , wife heirs. it is the core of your assets. your art might be sold. your houses

may lie empty, the apollo stock could be sold. you will pass on your office, it will be the primary player in your estate tax. probate, transition. Brad has taken it from a D minus to a C minus, If I were you I would set the goal of an A. just like your paintings. Like a house you could attempt to renovate it. it will take more time and money. or. in essence as I suggested in dec of 13, start from scratch. A financial head of office. - brad could move to being richards replacment as trustee. barry cohen would be perfect but carries the trustee taint now. take a tax partner from a major firm. to replace joslin, cost 1 + mil. keep heather and ssmantha. bring in full time IT person. ASAP. your lighting contractor in your new townhouse has better IT than your multi billion dollar antique operation. data breaches are not your concern. precision is. either re do the office layout. or get enterly new space. the proposals to focus on following on a monthly basis the values of all your current investments is an example of misplaced priorities. Your office is the heart of the familys financial life and temp future, it needs a heart operation

Date: Mon, Oct 19, 2015 at 5:10 PM

Subject:

To: Melanie Spinella <[REDACTED]>

Radical but my preferred idea. START from total scratch. there is absolutely nothing worth keeping in your family office except for heather, nothing at all. I remember when i bought my first house in order to renovate and jack robertson said forget it. knock it down start again, I could believe it. but he was right. Like your tax returns that were done in triplicate. TOM RICH ALAN. tom and rich were not really useful in the end. Alan was the only smart one. you should in my opinion Start a brand new office. hire cfo. bring joe over. heather and samantha, run parallel for 6 months and close down the mess of elysium forever. leave your kids a functioning operation professionally constructed and managed. NOT BY ME!!!

LAst nov i laid out priorities IT, being the first nothing as of today. in July I said focus on airplane as a test. to examine procedure and proficiency, so far mostly a waste of resources time people etc. Only last week told debra owns 49 percent of plane. no IT to speak of. bens house unaccounted for. tax returns very very sloppy, boat still argued as third home. pilots bonuses?, structure unkown by all. cash sitlling at the same time loans outstanding.

Phaidon, looks like close to breakeven in a few years. others totally unknown. Query, do you really want this? : I m not sure how you both want to have an investment office and have cash flow being eaten by publishing and loans amounts outstanding increased by art. --interest rates will be going up.- your plane will cost 10 million to refinance - so will boat if sold next year-. art space and regan, both needs more cash. with little return, taxes, art purchases. Part of radical solution is to sell publishing.altogether. (are the children really interested.) . restructure plane from scratch. layers unnecessary. simplify crazy structure s bank accounts trading accounts accounts payable. credit cards. etc. The best way to wean yourself away from me is to have someone else do the whole thing from scratch. move brad to be the replacement for Richard. he is nice but this is not what he does. Him saying it is soooo fucked up to me, was only an echo of me sayint it to you.

Subject:

To: Melanie Spinella <[REDACTED]>

as brad can attest , I spent time today with joslin, joe. etc. no question at all, a failed experiment. In the words of a banker that made a call on your office. what happened? leon seems to have replaced Eillenn with a team of Shleppers. ? I know you care little for what they may think , but the legacy you leave your kids is just that. you only have 60 days of planning left for this year. numbers are all over the place.

I recieved a nice call from Karp today, . He touted me as a great friend to you. I am happy to be just that. . He said it was important for me to tell you what others won't. Keep heather , fire EVERYONE else.

Date: Mon, Oct 26, 2015 at 1:10 PM

Subject: CONSTRUCTIVE?

To: Brad Wechsler <[REDACTED]>, Melanie Spinella <[REDACTED]>

1 cash flow projections for 16. . draft ok. i will be easy. i need rough projection. 2. phaidon chart laid out now with who signs in sale of shares vs entities. ? ie managing memebrrs. . 2 . 3 new trusts. Apo-o , dynasty, (does leon want to put in new restrictions per child). - publishing interests. . 3 llc, for investments 4 names insured? guarnatees? art loans. outstanding. sales or use tax owed? 4, comparison of execu jet vs jet aviation. . 5. the bank loan on the jet is going to come due. does leon prefer to extend f they would (he is a guarantor. ?) or will he need to pay 10 million cash to renew, that willl determine new structure of plane. getting rid of rance, wells fargo, john hannon, lisa gratizaino etc. . 5. boat restructure . 6 grats - if leon decie to have another. 7 accountning for children, .

Date: Mon, Oct 26, 2015 at 7:08 PM

Subject: draft

To: Melanie Spinella <[REDACTED]>, Brad Wechsler <[REDACTED]>

phaidon and art space. combined basis 96 million , (reviewed with brad and joe.) . add ten for restructuring . basis 106. mi. subtract total sale price. for both, lets say approx \$8 - 15m . leaving loss of between 90 and 98 million long term loss. . AMT rate 28 % obama . tax 3.8% . city and state 12% total aprox 43 % . tax rate. savings 38.7 - 44 m

0:51 PM (15 hours ago)

to me, Richard, Karen

Good afternoon

Removal of headers in Cabana's 1 and 2 started today

Dock Shelters proposed start date 16 Apr

LSJ staff cottage and Sams kitchen and bath cabinets are due in this week.

Have yet to schedule install.

Will have estimate for GSJ Staff Cottage from EB by the end of the week

Unable to contact Jimmy again regarding this project, Reached our Monday to schedule site meeting, got a - No Can Do -

reply !!!

Regards Brice

Date: Mon, Oct 26, 2015 at 8:37 PM

Subject:

To: Brad Wechsler <[REDACTED]>, Melanie Spinella <[REDACTED]>

gain at 20 % not 28. . so total , 35.8%. tax rate. same for boat. and plane each around 10 m so total 7 m savings if both sold

Date: Fri, Jun 3, 2016 at 5:56 PM

Subject:

To: Heather Gray <[REDACTED]>

heather leon seems to not recall the issue of finding an alternative to the exchange agents resale certificate. he didnt remeebr you suggesting a gallery instead. you mentioned that he did not want to get another gallery involved. ? has any of the transactions been audited using this method , which even i find aggressive.

Date: Fri, Jun 3, 2016 at 3:02 PM

Subject: RE:

To: "jeffrey E." <jeevacation@gmail.com>

Hi Jeffrey,

As you will recall, we used this same exchange agent last year on the Calder 1031. At the time, we discussed the merits of using a gallery versus a commercial exchange

agent and my recommendation to Leon was to use a gallery. I felt that there were advantages to using a commercial exchange agent instead of a gallery on the 1031 side (e.g., less likelihood of a breach of confidentiality, IRS familiarity with CDEC in the event of an audit, security of funds), but that a commercial exchange agent gave us less comfort on the sales tax side. Leon did not want to use a gallery because he was concerned about confidentiality and he did not want to have to ask a gallery that he did not do much business with to act as exchange agent.

When Leon first discussed the exchange for the Cezannes with me a few weeks ago, I asked him if he wanted to use the same exchange agent as last year, or if he wanted to use a gallery. I said that a gallery carried little to no risk on the sales tax side, but I reminded him that he had not wanted to use a gallery last year for the Calder because of confidentiality reasons. He said to use the same exchange agent as before, which made sense to me because he was extremely concerned about confidentiality with the purchase of the Cezannes.

I will find out about sales tax audits and will let you know. The exchange agent has had a New York resale certificate since 2014 and has been engaged in art transactions like this since then, but I do not believe they have been audited. I will check, though, and I will also ask the Herrick lawyer if any of his clients who have done similar deals have been audited.

Best,

Heather