

**From:** "jeffrey E." <jeevacation@gmail.com>  
**To:** jeffrey epstein <jeevacation@gmail.com>  
**Subject:** Fwd: Some proposals  
**Date:** Fri, 30 Mar 2018 23:21:34 +0000

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From: **Valeria Chomsky** <[REDACTED]>  
Date: Thu, Mar 29, 2018 at 11:01 PM  
Subject: Fwd: Some proposals  
To: "jeffrey E." <jeevacation@gmail.com>

I'd like to try a fresh start, with a slightly different approach, to see if we can find a way to communicate better and maybe reach some outcomes we are both comfortable with.

I have a few suggestions for how we might proceed. First, though, I'd like to reflect on what has been going on for the past four months. I have been working hard, with support from Avi, Diane and Max, to try to accommodate some of your requests. We have spent a lot of time, effort, and **money from the trust** doing so. It has not been pleasant for any of us. Unfortunately, I'm not sure anything we've done has actually helped you. I'm not sure you even see our attempts as **accommodating**. Therefore, before we try any other steps, I'd like to work out a very clear agreement about what each of us is going to do and how we feel it might help. This may seem laborious, but I think it's absolutely necessary in order to avoid further ill will of the sort that has developed in the past few months.

Let me give some examples. On December 14th, after several requests from you and Deborah to replace Max as trustee, Max proposed to Deborah a way to look for a suitable replacement. He suggested he and I make a list of candidates that I would be comfortable with, and you and Deborah could evaluate them and perhaps choose one for me to appoint. Deborah asked Max to proceed with this plan. On at least three other occasions that I know of, you, Deborah and Rich pressed us to expedite the process. We finished our part on January 10th and delivered the names to you and Deborah. After that I heard nothing from you about the process for two months. Finally, on March 10th, you told us that you are not planning to evaluate the candidates after all. **The time I invested, the stress I underwent, and the trust money that was spent on Max's time were all for nothing.** It would have been much more useful if you had told us in December that you did not want to consider any candidate Max might recommend. Then we could have spent the last three months trying to develop a new process, instead of wasting time on a process you did not want.

Also in mid-December, Deborah told Max you urgently needed \$150,000 to pay taxes. **Deborah agreed with Max that he is entitled to information about your financial circumstances** in order to decide what distributions to approve. Nonetheless, because of the urgency to make the tax payments (of which Max had almost no advance notice), Max approved the distribution even without obtaining any financial information from you. Deborah immediately followed up by asking for yet more money, this time \$30,000 for state taxes, but still with no financial information. After you gave your assurance that you would give **Max the information he needed**, Max approved the extra \$30,000 distribution. We have been waiting since December 21st for you to follow through and provide the information. Perhaps you're still planning to do so. But I fear that the agreement Deborah and Max worked out on your behalf—for you to provide the information along with Max approving \$180,000 in distributions—may have been yet another process you did not want. ( INCOME !!)

Starting in late November you began asking me to speak on the phone to your hired advisers Deborah and Rich. I felt very uncomfortable the power imbalance that such a conversation would entail—they are strangers to me, experienced negotiators with **very different goals from mine**. But you continued to press the issue, insisting it was urgent. I found ways to make both conversations happen while protecting myself from the power imbalance. I spoke to Rich in late November with Max on the line. As far as I know, nothing useful came from the conversation. Rich suggested that you and I should focus on working out our differences directly with each other. Later, in mid-December, I spoke to Deborah alone. I

told you both in advance of the call that she would be doing all of the talking and I would just be listening. Despite my disclaimer, during the call Deborah repeatedly pressured me to answer her questions and comments. I simply reminded her that she could not expect me to do so. You sounded surprised and even dismayed by Deborah's report of the call—why was I unwilling to tell her anything about my thoughts? With both of these calls, despite my willingness to **subject myself to adverse conditions** and my attempts to establish clear boundaries in advance, you seemed entirely unimpressed by the outcome. I think it would have been better to skip the calls, save everybody the stress and expense, and focus instead on steps with more potential for positive results.

Finally, on a more personal note, in mid-December you began asking us to explain our perspective on your financial situation. We were reluctant to do so, because we feel that back-and-forth e-mail can be a cumbersome way to resolve fundamental disagreements. In fact, our most recent attempt to engage with you substantively about any of this—in mid-2017, **regarding interest on your loan from the marital trust**—had utterly failed to help our communication. We felt, and still feel, that our differences with you run so deep that we would need a trained professional to guide us toward listening to each other and trying to understand each other. Nonetheless, after repeated and impassioned requests from you, we decided to write up our perspective and send it to you. We worked hard, scoured our memories, looked through old documents, wrote up what we believed, updated it with minor corrections from professionals who have worked with you over the years, and finally sent it on January 8th. Not surprisingly, part of your response has been to challenge some of our statements. But you've gone beyond that to deny that we could even believe what we wrote—you've attributed our claims to Max or Sam, when in fact we are recounting incidents that we remember because we were present when they happened, such as my meetings with you in April and October of 2014. At times you've even seemed to deny that we wrote anything at all, going so far as to claim that we have never articulated our disagreements with you or tried to discuss them with you! But perhaps the most affecting part of your response has been your distress that we wrote our letter in the first place—you don't understand why we are bringing these things up, why we are persisting with the correspondence. Of course we wrote the letter because you urged us to again and again, but it seems clear that you wish we hadn't written it. Perhaps you wish we didn't actually believe the things we wrote, or perhaps you wish we had **simply kept our beliefs private instead of trying to explain them to you**. Either way, it was hurtful to us to put so much effort into fulfilling what we thought were your wishes, only to find out that you actually wished we had ignored your pleas and remained silent.

I'm recounting all of these incidents not in order to assign blame, but just to explain the effect your actions have had on me. I've been contorting myself to try to help you in all of these ways. Not only has it not succeeded, but you have not seemed to welcome or even acknowledge my efforts. I am left feeling drained and frustrated. I need to adopt a different way of responding to your requests from here on.

**I would like to continue trying to help you.** Of course I will not agree to every request you make, but I want to take each request seriously. When I feel that I can fulfill a request but I'm not sure of the point of it, I'm going to take more care to discuss expectations with you before I start to invest in the process. We will both need to state very clearly what we intend to do, in what order, and with what contingencies and qualifications. We can each commit to taking certain actions, with the understanding that the other will follow up with complementary actions on their side. Most importantly, we should state what we hope to gain from the process. **Merely hearing that you urgently need me to do something will not convince me anymore.** I'll need to understand why you need it and how you feel it will help you. **If I'm not convinced it will really help, I may decide not to proceed.** I'm sorry if this seems harsh, but without this sort of care I'm afraid I will once again take a fruitless path and end up feeling manipulated and resentful.

Now, let me propose some ways forward that seem to me possibly productive. These ideas are not mutually exclusive. The first ideas in the list you can execute entirely on your own if you choose—you don't need my agreement or participation. The later ideas are things we could work together on. Of course I'll also listen to any additional suggestions you would like to offer. **Do remember that I will cooperate only to the extent that we reach agreement about what you are trying to achieve and how we will both contribute to it; wherever we don't reach agreement, the status quo will remain in place.**

### Ignore the marital trust

**You are a wealthy man. Leaving the marital trust aside for the moment, you have an IRA worth millions of dollars that provides you a steady income well into the six figures. This income sufficed for all of your personal needs for**

**many years. It actually vastly exceeded your needs. Your explanations for why it no longer suffices do not make sense to us.**

Again and again you have listed the many ways in which you spent your excess income—gifts, tuition, medical payments, rent. Yes, this added up to a lot of expenditure every year. But you ended the gifts in 2015, and your last unusual expenditure that I know of was a medical payment for Alex in September 2016. The numbers you keep repeating actually demonstrate just how little you needed for basic living prior to 2014, and how greatly your personal spending has shot up since, continuing long after you stopped all the gifting.

To put it another way: the huge extent of the gifts might explain why you *used to* need excess IRA distributions and large marital trust distributions, and why you *now no longer* need that extra income. But what has actually happened is the exact opposite. **During the years of the gifts, you could afford the sum of the gifts and your personal expenses, mostly just using the income you had available. Now you have eliminated the gifts, so your income should provide you with enough for personal expenses and over a hundred thousand dollars per year more. But it is now that you say you need yet more income.**

I have explained this in every way I know how. If you continue to point to the gifts as the reason why you can't live on your income, I don't think I can give a more satisfying answer. It seems we just can't agree on how arithmetic works.

Regardless of whether we reach agreement on this, you could simply decide to make do with what you have in the IRA, and we could stop all further discussion about money.

### Work with Max

You are a beneficiary of the marital trust. **You automatically receive all of the income it generates.** It is perfectly reasonable for you to request principal distributions from the trust as well. There is an established procedure for trusts like this: the surviving spouse describes their need to the independent trustee, who evaluates the situation and decides how much money to grant and when. You don't seem happy with the procedure, but the only person you can blame for setting up the trust this way is Eric Menoyo.

Max has already decided to distribute principal to you on several occasions. You have no reason to think he wouldn't do so again in the future, if you make a reasonable case for it. The first step would be to complete your end of the agreement you made in December. At that time, Max wished he could obtain some financial information from you before deciding on the \$180,000 distribution you were requesting. You explicitly agreed that you would provide that information. Max made the distribution in advance of receiving the information. Once you provide him the information you promised, that December transaction will be complete. You can then proceed to discuss your goals for future distributions.

### Replace Max using the plan from December

The terms of the trust, as arranged by Eric Menoyo, dictate that if Max resigns I appoint his successor with concurrence from you. We can still try to make this happen. I'm still willing to appoint any of the three candidates I interviewed in January, if you concur.

If you are certain that you do not want me to appoint any of them—in other words, if you would rather keep Max as trustee than accept any of them—you should tell me clearly so that I can write each of them a final letter closing my dealings with them.

### Work with me on a new plan to replace Max

You proposed an alternative way to replace Max: that instead of completing the process we began in December, you should simply pick a trustee and I should appoint whoever you choose. I don't accept this proposal. However, I'm willing to look for a different plan that we might both be able to accept.

As I've explained, I'm going to insist that our plan be spelled out in extreme detail, with responsibilities and timelines clearly laid out for both of us. We need to agree on every aspect of the plan first before we start implementing it. I'm sorry it has to be this way, **but I've been burned so many times recently by assuming good faith on your part that I'm just going to have to be more careful now.**

So here is my proposal. Please tell me if you would like to accept it, adjust it, make a brand new proposal, or drop the subject.

1. You develop a list of one or more candidates that you would accept as Max's replacement. Each candidate must have professional qualifications and established **expertise in trusteeship of marital trusts in Massachusetts**.
2. You send me your list. You send one e-mail message listing all of the candidates. You address the message to both me and Max. The message comes from you, not from Deborah or Rich—I'm not always certain to what degree their opinions or promises reflect yours. For each candidate, the message provides their full name and a URL for a public website that shows their contact information and professional biography. Once you send the list, you are guaranteeing that: a) you will not send more candidates later; and b) you will not withdraw any candidate you have proposed.
3. When you send the message, a two-month period begins. I evaluate the candidates during the period. You do not ask me about my progress during the period or pressure me to complete the evaluation faster. (The choice of two months is somewhat arbitrary, but it mirrors how much time elapsed this winter between Max sending candidates to you and you replying that you would not evaluate them.)
4. If I select one of the candidates, I inform you of my choice before the end of the two-month period. You will have already offered your concurrence. So all that remains is for Max and Deborah to work out the transition process.
5. If I evaluate all of the candidates but there's none that I would feel comfortable appointing, I inform you of that before the end of the two-month period. At that point, the search process ends and Max remains as trustee.

Of course, if this process fails, it's possible we may both want to begin yet another process to replace Max. If we do, we would have to start discussing the new process from scratch. There is no expectation that we would repeat the steps I listed here.

### Continue dialog by e-mail

You have sounded very frustrated by our unwillingness to answer direct questions you pose in your e-mail messages, or to provide a line-by-line rebuttal when we disagree with you. We've done a lot over the years to try to explain our point of view to you, to no avail. Engaging in e-mail debate **does not seem productive to us**. Nonetheless, I'd like to offer some degree of direct response beyond what we've been willing to give you in the past.

Some of your questions are very simple and have straightforward answers. Perhaps it would help if I answer those questions and just push aside the complicated parts.

For example, you've asked repeatedly how we know the prices of your Cambridge condo sale and Tucson house purchase. That's easy to answer. All real estate transactions are part of the public record. Anybody who knows your address can type it in on a user-friendly website and find out when the property changed hands and for how much money.

As a contrasting example, you wonder whether we agree with the legalistic chicanery by which Max has twisted his interpretation of the purpose of the marital trust. This question is heavily laden with prejudice and false assumptions, and a yes or no answer would not do it justice. You might as well ask us if the king of France is bald.

Of course most questions fall somewhere in the continuum of complexity between those two. But I am happy to look at questions you may have and answer them to the extent that they are simple.

I'm not going to go back and try to answer the many questions you've raised in your past messages. But from here on, if you ask me a direct question, I will do my best to answer it, and if I feel it's too complicated to answer by e-mail, I will say so.

Responding line by line to your claims seems less promising—that might just lead to an endless back-and-forth argument, wasting both of our time and leading to more misunderstanding than enlightenment. I might try responding directly in some simple cases. However, when I don't reply to a particular claim you should not conclude that I agree with it!

### Plan a meeting with a mediator

We have suggested on many occasions that the best way to break through the logjam in our communication would be to hire a professional who specializes in exactly that—a mediator.

You have replied that you don't think a mediator is necessary. At times you even seem to say that there's nothing to mediate because we have no disagreement! This is hard to fathom. Did you really agree that everything we wrote to you on January 8th was correct? Do you really agree with us that your spending has increased dramatically and unexplainably **since you got married and this unprecedented outflow is placing your financial future at risk**? Do you really agree that Max's decisions to grant you some principal distributions from the marital trust and ask you for financial information in return are perfectly fair? Of course not. These are some of the deep matters on which we disagree. What we really wanted to know was, would you be *willing* to meet with us with a mediator? We still aren't sure of the answer.

Having a meeting with a mediator would take quite a **large commitment from all of us**. We'd have to agree on what mediator to hire, find out how they work, pay for their service, and travel to the meeting. This is a big investment of time, energy and money. The only reason to undertake it is if we all believe it could really help us.

At one time I did believe this, and that's why I advocated for the meeting. Now I'm not so sure. Your unwillingness to follow through on your agreements and commitments in the past few months leaves me hesitant to commit resources to a big new project like this. But I'm willing to be convinced. If you feel deeply that you want to resolve our disagreements, that talking to us openly could make that happen, and that you want us all to listen and open our minds to different perspectives, then I'd like to try to make that possible. And I truly believe a mediator is part of what we would need to make it work.

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