

**From:** [REDACTED]

**To:** "Jeffrey Epstein" <jeevacation@gmail.com>

**Subject:** Fw: AG China

**Date:** Thu, 20 Jun 2013 17:14:07 +0000

**Importance:** Normal

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

From: Richard Merkin <[REDACTED]>

Date: Thu, 20 Jun 2013 10:11:14

To: [REDACTED] <[REDACTED]>

Subject: RE: AG China

David,

At this time I'm only willing to commit \$5M. I'll split the difference with you and do 17.5%. I'm extremely busy at this time as I'm working on a number of projects, some of which may be beneficial to the project we are discussing. If this works for you please confirm and we can schedule some time to go into more detail.

Thanks

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

From: [REDACTED] [mailto:[REDACTED]]

Sent: Wednesday, June 19, 2013 1:30 PM

To: Richard Merkin

Subject: Re: AG China

20% for 7M?

And importantly your advice, guidance and support for our growth?

You have my full commitment to make this a success and to do good!

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

From: Richard Merkin <[REDACTED]>

Date: Wed, 19 Jun 2013 10:44:48

To: 'David Stern' <[REDACTED]>

Subject: RE: AG China

How about 5M for 20% ? Would that work for you?

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

From: David Stern [mailto:[REDACTED]]

Sent: Tuesday, June 18, 2013 1:11 PM

To: Richard Merkin

Subject: Re: AG China

Dear Dick,

Were you able to consider my reply yesterday? Is this something that may work for you?

I would be delighted to come to LA to see you which would - as always - be a true joy, with the added bonus of getting exposed to US sports and some California sun (while we have rain storms in Europe....) !

All the best  
David

On 17 Jun 2013, at 17:29, Richard Merkin wrote:

> David,

>

> I remember last time you thought I may be requiring too much for the investment. I don't have at my fingertips what you thought was too much. I know you currently have 100% of the company, what do you suggest would be an appropriate equity stake that you think I would feel would be fair and appropriate for me to invest? If this is something agreeable, I would be happy to meet and discuss further. Maybe another Lakers game? Or even a Dodgers game.

>

> -----Original Message-----

> From: David Stern [mailto: ]

> Sent: Monday, June 17, 2013 9:18 AM

> To: Richard Merkin

> Subject: Re: AG China

>

> Apologies for the late reply, I just returned from China.

>

> Main progress is that the product is finalised ("Health Insurance Information Processing and Analytics System").

> It has been approved by the central government and we are on the way of becoming national standard for payment processing based on our data standardization engine.

> We will have our first government contract with Chengdu by latest November this year.

> Next year we expect to be in minimum additional 5 cities.

>

> I have several interesting term sheets for what is now a minor investment (US\$ 5 million) as this allows us to complete the full Center we are building in Chengdu.

> So far we spent US\$ 8m with approx US\$ 4m still in cash in the company.

>

> Your involvement in any way of form would still be an honour !

>

>

>

>

>

> On 11 Jun 2013, at 18:26, Richard Merkin wrote:

>

>> Good to hear from you, how are things going? Interested to hear about the progress you've been making.

>>

>> -----Original Message-----

>> From: David Stern [mailto: ]

>> Sent: Tuesday, June 11, 2013 3:37 AM

>> To: Richard Merkin

>> Subject: Re: AG China

>>

>> Dear Dick,

>>

>> I hope this mail finds you well and I am sure you have nice sunshine in California than we have here in miserable London....

>>

>> Just wanted to catch up and see how you are?

>> Our business in China is moving forward very well and we are finalising the products for end of year launch.

>>  
>> As ever, I do hope we can do something together in the not too distant future.  
>> Always an honour to listen to your advice and guidance.  
>>  
>> All the best,  
>> David  
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