

From: Jeffrey Epstein <jeevacation@gmail.com>
To: Richard Joslin <[REDACTED]>
Subject: Re: Decanting the 1997 trust to APO2
Date: Tue, 25 Feb 2014 19:16:43 +0000

did you send me the phila file?

On Tue, Feb 25, 2014 at 3:08 PM, Richard Joslin <[REDACTED]> wrote:

Thanks for the quick response - We will get a new tax ID for this trust. There has not been consistent tax reporting in the past (some file 1041 and some not). I will move to have uniform reporting for the grantor trusts

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

From: Ada Clapp
Sent: Tuesday, February 25, 2014 1:53 PM
To: Richard Joslin
Cc: Eileen Alexanderson; Jeffrey Epstein; Richard [REDACTED]; [REDACTED]
Subject: RE: Decanting the 1997 trust to APO2

Rich-I am indifferent as to whether you report the income of grantor trusts using Leon's tax ID number or a separate EIN you get for the trusts. I think you just need to be consistent.

Ada Clapp
Elysium Management LLC
445 Park Avenue
Suite 1401
New York, New York 10022
Direct Dial: [REDACTED]
Fax: [REDACTED]
Email: [REDACTED]

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

From: Richard Joslin
Sent: Tuesday, February 25, 2014 1:44 PM
To: Ada Clapp
Cc: Eileen Alexanderson; Jeffrey Epstein; Richard [REDACTED]; [REDACTED]
Subject: RE: Decanting the 1997 trust to APO2

As I understand this decanting, the distributing trust and receiving trust are both grantor trusts and have the same owner before and after. As such the receiving trust is a continuation of the distributing trust, ie same tax ID number for income tax purposes. While two assets may have negative tax basis in 2014 (Blue Sunshine had negative tax basis a/o 12/31/2012 of \$(300K); AP Energy Partners LLC had a negative tax basis a/o 12/31/2012 of \$(10K) - we do not have K-1's FY 2013), the decanting should not trigger any gain on transfer.

On a related vein, I'd like to get Ada/Alan input on not using LDB SSN for the grantor trusts and getting EIN's and reporting annually Form 1041 with trust letter. I would like to have annual 1041 filing for the trusts vs no reporting other than included on 1040 directly.

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

From: Ada Clapp
Sent: Tuesday, February 25, 2014 8:33 AM
To: Richard Joslin; Richard [REDACTED]
Cc: Eileen Alexanderson; Jeffrey Epstein
Subject: Decanting the 1997 trust to APO2

We are planning to send the Decanting Notice to the beneficiaries of the 1997 trust today. Just checking to be sure there are no tax or other issues for our accounting team. If so, please let me know as soon as you can. Thanks.

Sent from my iPad

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