From: Richard Joslin <[redacted]>
To: Jeffrey Epstein <jeevacation@gmail.com>
Subject: Fwd: Premium Payments for Trust #2
Date: Sat, 22 Mar 2014 21:49:23 +0000

Fyi. I am around if you are available.

Begin forwarded message:

From: Ada Clapp <[redacted]>
Date: March 21, 2014 at 6:38:54 PM EDT
To: Eileen Alexanderson <[redacted]>
Cc: Richard Joslin <[redacted]>
Subject: Premium Payments for Trust #2

Hi Eileen,

I wanted to "memorialize" my discussion with Roger Cammon regarding the premium payment amounts and due dates for the second-to-die polices held in Trust #2. Roger noted the following:

With Variable life insurance, the true mortality costs of the insurance (plus administrative expenses) are deducted monthly from the funds held in policies (the current policy investments or "cash surrender values"). They are not paid from the premium payments. So for those years that AIF IV did not pay premiums under the split-dollar agreements, no portion of the cash value was used to pay the scheduled premium amount (that's good news).

Roger noted that premiums are not really due on the register dates of the policies. The scheduled premium amounts are also flexible. Basically, the Trustees can choose to never pay a premium or to pay whatever they want whenever they want. Failing to pay the scheduled premiums may affect the amount of the death benefit as the investment portfolio may be inadequate to pay mortality charges and some policies may lapse (See Option 1 of Roger's illustrations "No Further Premium Outlay"). This, of course, depends entirely on performance of the investment portfolio.

Roger's advice was not to pay a premium now but to wait until we have terminated the split dollar agreement for Trust #2 and the Trustees have decided how we wish to move forward with the policies (considering his Option 1 and Option 2 proposals).

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entity for the purposes of (i) avoiding tax related penalties imposed by any governmental tax authority, or (ii) proposing, marketing or recommending to another party any transaction or matter discussed herein. I advise you to consult with an independent tax advisor on your particular tax circumstances.