

**From:** "jeffrey E." <jeevacation@gmail.com>  
**To:** Leon Black <[REDACTED]>  
**Subject:** Fwd: FW: Extended Payment Terms Request  
**Date:** Wed, 21 Jun 2017 18:00:47 +0000

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

**From:** Heather Gray <[REDACTED]>  
**Date:** Wed, Jun 21, 2017 at 1:30 PM  
**Subject:** FW: Extended Payment Terms Request  
**To:** "Jeffrey Epstein (jeevacation@gmail.com)" <jeevacation@gmail.com>  
**Cc:** "Darren K. Indyke Esq. ([REDACTED])" <[REDACTED]>

Hi Jeffrey,

A question has come up with respect to the extended payment terms for the Giacometti and whether Sotheby's can release the work to the buyer before the buyer has paid in full.

If Sotheby's releases the Giacometti to the buyer before the buyer has paid in full for the work, Sotheby's wants to be able to wait and pay you half of the proceeds on the 95<sup>th</sup> day and half of the proceeds on the 125<sup>th</sup> day, the same way they would pay you if they hadn't released the work. I think if they release it before they have been paid in full, they should have to pay you all of the money they owe you within 5 days of their release of the work. They had agreed to this in the consignment agreement, and I don't see why you should accept less favorable terms now (especially since you are giving the buyer so long to pay).

I emailed Sotheby's raising my objection (please see below), but of course told them that I would defer to Darren's judgment on this point.

**Will you please let us know if you would like Darren to tell Sotheby's that they have to pay you within 5 days of the release of the work if they release it before they have been paid in full?** The sale starts in 30 minutes, so we would like to get back to them as soon as possible.

[REDACTED] in the office ([REDACTED]) if you would like to discuss this.

Best,

Heather

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**From:** Heather Gray  
**Sent:** Wednesday, June 21, 2017 1:12 PM  
**To:** 'Weaver, Cecilia' <[REDACTED]>; 'Darren K. Indyke Esq. ([REDACTED])' <[REDACTED]>  
**Cc:** Richard Kahn <[REDACTED]>  
**Subject:** RE: Extended Payment Terms Request

Hi Ceci,

I'm just going to jump in here before Darren even has a chance (sorry, Darren!). I'm not comfortable with the highlighted language in the terms you've just sent us regarding release of the Giacometti before the buyer has paid in full. From my perspective, the work should not be released by Sotheby's until it has received full payment and if it does release it early, Sotheby's should pay the consignor the full amount due within 5 days of the release, as we had agreed in the consignment agreement.

Here is the language copied from the consignment agreement regarding release of the property prior to payment in full:

If we release the Property to the purchaser hereof prior to our receipt from the purchaser of payment of the purchase price in full for the Property, we agree to pay you the Net Sale Proceeds due to you (which include Your Share of Buyer's Premium) (less any amounts previously remitted to you) on the date which is thirty-five (35) days after the auction or, if the Property is released after that date, on the date which is five (5) working days of our release of the Property, regardless of whether we have collected payment in full from the purchaser.

Unless Darren disagrees with me, I think the same language should apply to the extended payment terms. In other words, if Sotheby's releases the Giacometti prior to being paid in full by the buyer, Sotheby's should have to pay the consignor the Net Sale Proceeds due to the consignor including his share of the BP (less any amounts previously remitted to him) within 5 working days of the release.

Otherwise, Darren, these terms are fine and are what I understand were agreed to.

Best,

Heather

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**From:** Weaver, Cecilia [<mailto:> ]  
**Sent:** Wednesday, June 21, 2017 1:00 PM  
**To:** 'Darren K. Indyke Esq. ( )' < >  
**Cc:** Heather Gray < >  
**Subject:** Extended Payment Terms Request

Dear Darren,

Below please find the formal wording regarding the extended payment terms agreed previously.

Would you kindly confirm you agree with these terms for our files?

Many thanks,

Ceci

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**Email subject matter: Extended Payment Terms request: Impressionist & Modern Art, 21 June 2017**

Sotheby's has received a request to grant extended payment terms to a potential buyer of the Giacometti, *Grande Figure* lot 57 in the above referenced sale (**the "Lot"**).

According to the requested terms, payment for the Lot will be due by the buyer to Sotheby's in in two equal instalments 90 and 120 days after the Sale ( each, a "**Buyer Instalment Payment Date**").

Provided that we have received cleared funds of each instalment in full from the buyer on each Buyer Instalment Payment Date, we will pay you the net sale proceeds due in respect of such instalment within five (5) business days of each Buyer Instalment Payment Date. No interest will be paid to you or us in respect of these payment terms.

**If Sotheby's releases the Lot to the buyer before receipt of the full purchase price in cleared funds, Sotheby's shall pay the net sale proceeds due to you on each Buyer Instalment Payment Date.**

Except as explicitly amended herein, the consignment agreement between you and Sotheby's shall continue to apply.

Please respond to this email to confirm you agree with its terms.

Cecilia Weaver | **Sotheby's**

Assistant to Amy Cappellazzo

T: [REDACTED]

C: [REDACTED]

[REDACTED] New York, NY 10021

[REDACTED]

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[www.sothebys.com](http://www.sothebys.com)

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