

STATE OF NEW YORK )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

**AFFIDAVIT OF JUAN PABLO MOLYNEUX**

JUAN PABLO MOLYNEUX, after being duly sworn, deposes and says:

1. I reside in the State of New York, and I have personal knowledge of the matters set forth herein.
2. I am the owner and president of [REDACTED] Molyneux Studio, Ltd., which is incorporated and maintains its principal place of business in the State of New York (“Studio”).
3. In 2005, Jeffrey Epstein (“Epstein”) and I, together with our respective companies, L.S.J., LLC (“LSJ”) and Studio, entered into an agreement whereby, among other things, Studio would design the interior and exterior, and provide, through third party vendors and contractors, certain furnishings, furniture, fixtures and millwork for, a high-end office/library structure to be located on Little Saint James Island known as the Office Pavilion.
4. In consultation with Mr. Epstein, I created the conceptual design, including cabinetry, entry doors, bookcases, bookshelves, columns, cornices, wood paneling and sliding window shutters, for the library in the Office Pavilion (the “Library Cabinetry”). My design concept for the library of the Office Pavilion, as agreed to by Mr. Epstein, was inspired by the library at El Escorial in Spain. I also provided to Mr. Epstein my own drawing of the proposed Library Cabinetry. On the basis of the concept of the library at El Escorial, and my drawings, Mr. Epstein approved the general design, color and finish of the proposed Library Cabinetry. Mr. Epstein and I later agreed to certain modifications to that design which required that the columns and cornices included in the general design be intricately carved

with representations of marine flora and fauna consistent with a tropical locale. Additional intricate wood carvings of the same tropical theme were to be applied at various places on the Library Cabinetry as well.

5. In connection with the performance of our agreement relating to the Office Pavilion, Epstein and I agreed that Studio would contract with Fancelli Paneling, Inc., a New York corporation (“Fancelli”), to fabricate, finish, deliver and install the Library Cabinetry for the benefit of Epstein and LSJ. Fancelli holds itself out as skilled in intricate wood sculpting and specializing in the reproduction of fine antique cabinetry and woodwork. Fancelli’s website advertises that Fancelli’s “[t]eam of artisans, sculptors and cabinet makers uphold the tradition and carry on the sophisticated art of fine wood paneling that graces the walls of some of the world’s most beautiful interiors.” Fancelli’s website also advertises that its craftsmen are able to “carve intricate motifs as well as restore and replicate any antique design.”

6. Beginning in or about 2006, Studio discussed and eventually contracted with Fancelli to fabricate and finish the Library Cabinetry, and to deliver it to, and properly install it on, Little Saint James Island in the United States Virgin Islands. It was the clear understanding and agreement of Studio and Fancelli when they contracted that all of their contracts with respect to the Library Cabinetry were for the benefit of Epstein and LSJ and that the Library Cabinetry was to be installed and used in an office/library structure located in the tropical Caribbean locale of the United States Virgin Islands.

7. Fancelli fabricated and began the process of finishing the Library Cabinetry in Italy, and in or about February or March 2009 shipped the disassembled pieces of the same in sealed air-controlled crates to the United States Virgin Islands, where it was to be properly installed on Little Saint James Island, and the finishing was to be completed.

8. Between May 2009 and March 2010, Fancelli proceeded to install the Library Cabinetry on Little St. James Island. As of the date of this Affidavit, however, Fancelli has failed to fully complete the proper installation, staining and finishing of the Library Cabinetry on Little Saint James Island in accordance with the requirements of the contracts between Studio and Fancelli, and, as installed, the Library Cabinetry is incomplete and defective in numerous respects, including, but not limited to, the following:

- A. The Library Cabinetry is discolored, its finish is incomplete, sloppy, unevenly and poorly applied, and the color and/or finish is completely absent in various places;
- B. Under Fancelli's contract with Studio, the Library Cabinetry was to have an antiqued and distressed "wax finish." However, the finish is inconsistent throughout;
- C. The method used to simulate the antiqued and distressed finish was the responsibility of Fancelli;
- D. As installed by Fancelli, the surfaces and edges of all of the woodwork throughout library, including, but not limited to, the areas around all of the windows, the door panels, the cabinets and the floor pieces of the Library Cabinetry, have a distressed finish that is inconsistent. Several cracks and seams are evident in the columns of the Library Cabinetry but were not recorded at the time they were installed. Such work is not consistent with the high standards required of Fancelli under its agreement with Studio, which Fancelli held itself out as being able to provide;

- E. Contrary to Fancelli's agreement with Studio, the fabrication and installation of the sliding panels at the windows of the library are incomplete in that the exterior sides (i.e., the sides facing out and viewable from the exterior when looking into the windows of the Office Pavilion) of the sliding panels are completely unfinished, leaving exposed plywood and hardware that can be clearly seen from the exterior of the Office Pavilion; Fancelli is required to complete such work once the finish to be applied to the shutter material on the interior is selected by Epstein;
- F. As installed by Fancelli, the connecting hardware at the sliding panels at the picture window of the library was loose or broken, and the sliding window shutters on all windows are misaligned and rattle;
- G. Fancelli was required to install wood filler pieces behind the carved filigree frames around the sliding panels at the windows so daylight does not shine through. Fancelli's installation of the wood filler pieces is incomplete in that daylight continues to shine through in certain areas;
- H. There are open joints in the woodwork throughout the Library Cabinetry, including, without limitation in several areas at the decorative cornices of the Library Cabinetry. These open joints were not recorded when the Library Cabinetry was installed and reflect a substandard level of workmanship inconsistent with high standards required of Fancelli under its agreement with Studio, which Fancelli held itself out as being able to provide;
- I. The decorative brass handles on the hardware holding the upper bookcases of the Library Cabinetry closed are poorly installed and are systematically coming off.

The small screw pins holding the handles to the rods are not only backing out, but also shearing or breaking off. Under its contract with Studio, Fancelli is responsible for the provision, proper installation and proper functioning of all such hardware;

- J. The concealed hardware inside the swinging bookcases at the entry doors was improperly installed and is falling off. The keys that operate the locks on those doors are breaking and the keyhole escutcheons that Fancelli was required to provide are missing. Under its contract with Studio, Fancelli is responsible for the provision, proper installation and proper functioning of all of this hardware;
- K. As installed by Fancelli, the swinging bookcase doors at the entries to the library are misaligned;
- L. As installed by Fancelli, several cabinet doors throughout the library do not fit evenly and square within their frames;
- M. The overall workmanship and finish of the Library Cabinetry reflects a substandard level of workmanship inconsistent with the high standards required of Fancelli under its agreement with Studio, which Fancelli held itself out as being able to provide, and is wholly inconsistent with the quality of woodwork priced at \$780,000.

9. I am advised that Fancelli has claimed that it fabricated, installed, stained and finished the Library Cabinetry strictly in accordance with all of the designs and specifications provided to it by Studio and that Studio has fully approved the fabrication, installation, staining and finishing of the Library Cabinetry in its present condition on Little Saint James Island. I understand that Fancelli has also claimed, among other things, that certain of the

items identified in paragraph 8 of this Affidavit are not the fault of Fancelli, but instead a result of either (a) improper specifications and designs provided by Studio and myself or (b) the high temperature levels inherent in Little Saint James' tropical climate, on the one hand, and efforts to maintain cooler air temperatures in the interior space at the Office Pavilion where the Library Cabinetry was installed, on the other hand. These claims are entirely without merit. As stated in paragraph 8, the items identified therein, are contrary to Studio's and my designs and specifications. Moreover, the items identified in paragraph 8 of this Affidavit existed at the time of installation and were not the result of any environmental conditions. In addition, it was clearly understood and intended by Studio and Fancelli when they contracted that the Library Cabinetry was to be installed and used in an office/library structure located in the United States Virgin Islands and would be therefore subject to temperature and humidity levels inherent in a Caribbean climate, as well as within an office structure in which air conditioning would be present. The Library Cabinetry should have been fabricated for such intended use, and Fancelli cannot now escape its obligations by blaming environmental conditions. Consequently, Fancelli continues to be obligated to properly and fully complete the fabrication, installation, staining and finishing of the Library Cabinetry, including, without limitation, by properly and fully correcting all of the items identified in paragraph 8 of this Affidavit.

11. Despite repeated demands from Studio and me, as well as Epstein and LSJ, for Fancelli to correct the multitude of defects in, and to properly and fully complete, the fabrication, installation, staining and finishing of the Library Cabinetry as contracted, Fancelli refuses to do so without first being paid additional sums for such work. However, Fancelli has been paid all moneys to which it is entitled under its contracts with Studio and is not

entitled to any additional sums to correct and properly and fully complete the Library Cabinetry in accordance with its contracts with Studio, including, without limitation, by properly and fully correcting all of the items identified in paragraph 8 of this Affidavit. Moreover, it is standard practice in Fancelli's industry that items of the type identified in paragraph 8 of this Affidavit are customarily corrected by the contractor at no additional charge.

12. Epstein and LSJ were the clear and intended beneficiaries of the contracts between Studio and Fancelli relating to the Library Cabinetry.

FURTHER AFFIANT SAYETH NOT.

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JUAN PABLO MOLYNEUX

SUBSCRIBED AND SWORN TO  
before me this \_\_\_\_ day of \_\_\_\_\_, 2010.

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Notary Public  
My Commission Expires: