

Chris Suan Talking Points:

-During the Fall of 2006, I attended a series of meetings with the Fund's counsel Schulte, Roth, and Zabel. Dan Zwirn and Glenn Dubin were both present. After those meetings, it was decided that Perry Gruss would be fired. Gruss subsequently quit before he could be fired.

-In the wake of Gruss's departure, Dan Zwirn contacted all the Fund's investors to disclose the issues that led to the firing of Perry Gruss.

-The Fund's management, including myself, were understandably concerned about how investors would react. In particular, we were all worried that investors might seek to withdraw from the Fund as a result.

-There was a rumor going around the Fund that a large investor was demanding its money back. I approached Zwirn about this rumor. Dan told me that Jeffrey Epstein was very suspicious about the disclosures and was demanding all of his money back. Jeffrey Epstein was one of the larger investors in the Fund.

-Dan was worried that the Fund would have trouble coming up with the cash to meet Epstein's demand, especially when the Fund was trying to figure out how to repay the Interfund Transfers that I just learned about. Dan was also worried that if other investors heard Epstein had pulled out altogether, they would pull out too.

-Dan later told me that he and Glenn Dubin had solved the problem. Dan said that he and Glenn had convinced Epstein to reduce his demand to a partial withdrawal of \$80 million.