

HENNIGAN DORMAN LLP

LAWYERS

865 SOUTH FIGUEROA STREET
SUITE 2900
LOS ANGELES, CALIFORNIA 90017
TELEPHONE (213) 694-1200
FACSIMILE (213) 694-1234

DIRECT PHONE [REDACTED]

July 12, 2011

VIA EMAIL

Mr. Roy Black
Black, Srebnick, Kornspan & Stumpf
201 S. Biscayne Blvd.
Suite 1300
Miami, FL 33131
[REDACTED]

Mr. Jay Lefkowitz
Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022-4611
[REDACTED]

Dear Roy and Jay:

Our firm represents Sitrick And Company.

In early March of this year, your client Jeffrey Epstein called Michael Sitrick to ask for his and his firm's help in stemming a tsunami of negative publicity resulting from a photograph of Prince Andrew and Mr. Epstein walking in Central Park. The focus of the publicity, as you are aware, was that Prince Andrew was friends with Mr. Epstein who the British press called a pedophile. Mr. Epstein said this was not only disturbing, but threatening the viability of his business.

At the onset of this engagement, Mr. Sitrick asked if he should have Black Srebnick sign a new engagement letter. As you know, the Black Srebnick firm signed the 2005 letter (which by the way was never terminated and therefore is still in effect). Mr. Epstein responded that the letter should be sent to Jay Lefkowitz of Kirkland & Ellis. On March 11, Mr. Sitrick sent Mr. Lefkowitz a copy of Sitrick And Company's standard engagement letter.

Given the urgency of the situation and his prior relationship with Mr. Epstein, Mr. Sitrick and one of the firm's senior partners Tony Knight dropped everything, got up to speed and immediately began to work with Mr. Epstein and his attorneys. This was despite the fact that they had not received either a retainer or a newly executed engagement letter. (You both were involved in the work that Sitrick did and were part of many, many email chains reflecting same.)

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The media frenzy, again as you both are aware, required Messrs. Sitrick and Knight to work days, nights and weekends. When the Duchess of York, who said she had considered Mr. Epstein a friend, chimed in and also called Mr. Epstein a pedophile, the already frenetic pace of media hysteria accelerated. News publications from The Daily Telegraph to Newsweek jumped on the story.

Despite the salaciousness of the coverage in both the U.K. and the U.S., Mr. Sitrick and his team were able to stop stories that would have aired on TV and in the mainstream media in the U.S. Among the media outlets that discussed the "story" with Mr. Sitrick were "60 Minutes" and "Piers Morgan." While they mitigated the damage as much as could be done, Mr. Sitrick and his team believe they would have been able to do a great deal more -- particularly with respect to the pedophilia allegations -- if what they had been told by Mr. Epstein agreed with what they were told by the attorneys representing him with respect to the ages of the girls who provided the massages and other facts of the case. Because the lawyers involved disputed Mr. Epstein's version of the facts, the lawyers intervened and told Sitrick not to move forward on their plan. Sitrick also believes the media allegations about Mr. Epstein being a pedophile could have been put to a stop earlier if their advice had been heeded earlier with respect to forcing the Duchess of York to retract her statement calling Mr. Epstein a pedophile. (Getting this term out of the headlines and the stories was, as you are aware, Mr. Epstein's top priority.)

Mr. Sitrick has repeatedly tried to get a signed copy of his new engagement letter returned and his invoices paid, but to no avail.

On March 31, Mr. Sitrick wrote Darren Indyke of Mr. Epstein's office stating that he understood that Mr. Lefkowitz had forwarded him a copy of the Sitrick engagement letter and that he would appreciate getting it executed and returned. On Saturday April 30 (while Mr. Sitrick was working on a project for Mr. Epstein and in the midst of several email exchanges, he wrote Mr. Epstein that he had not received a response back from Mr. Indyke on his letter. Mr. Epstein apologized and said he would check on Monday. On May 6, Mr. Indyke finally responded with one sentence: "I have reviewed your engagement letter and it is unacceptable." When Mr. Sitrick responded that this was exactly the same letter which was executed in 2005, except for an adjustment in billing rates (a letter which he pointed out was still in effect, since it had not been cancelled) and asked what was unacceptable about it, Mr. Indyke responded that Mr. Epstein was traveling and he would have to wait until Mr. Epstein returned. Once again several weeks passed. On Tuesday, May 31, Mr. Indyke wrote, "I just returned from vacation and will get back to you with comments at the end of the week. In general, however, there is no detail whatsoever in the engagement letter, including but not limited to detail re fees, approvals, or obligations, and that is just for starters." Mr. Sitrick responded that in fact the engagement letter does include detail about the fees and obligations, but if they wanted more he would be happy to provide it. Mr. Indyke never did get back to Mr. Sitrick.

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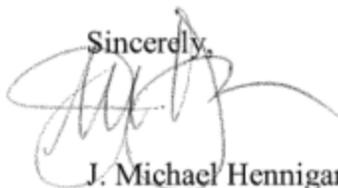
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Given Mr. Sitrick's long relationship with Mr. Epstein, he is hopeful that Mr. Epstein will sign the letter and, that if he does not want to sign it, that he will just pay Sitrick's invoices and Messrs. Sitrick and Epstein can just part friends. The amount due is \$103,518. As stated, Mr. Epstein is obligated to pay both on the basis of the earlier letter, an implied contract and quantum meruit.

Mr. Sitrick does not want to have to pursue legal remedies and turn what has been a good relationship into an adversarial one. Thank you for your attention to this matter.

Sincerely,



J. Michael Hennigan

JMH/ebm

cc [via email]:

Michael Sitrick [REDACTED]