

From: Stephen Hanson <[REDACTED]>

To: Jeffrey Epstein <jeevacation@gmail.com>, "HOWIE / SUE MUCHNICK" <[REDACTED]>, Sue Schwartz Muchnick <[REDACTED]>

Subject: RE: Revised Separation Agreement

Date: Thu, 12 Dec 2013 19:55:48 +0000

Attachments: WSComparison_28862467v1_LEGAL_-_BRG_--
Final_Assignment_of_LLC_Interest_.pdf;_28862467v2_LEGAL_-_BRG_--
Final_Assignment_of_LLC_Interest.docx

From: Schechter, Jonathan A. [mailto:[REDACTED]]

Sent: Thursday, December 12, 2013 2:40 PM

To: Steve Hanson; Ellis Rinaldi; Barry Sternlicht

Cc: Dan Yih; Eric Franklin; Stephenson, Tim; Charnas, Brandon S.; [REDACTED]; [REDACTED]

Subject: RE: Revised Separation Agreement

Attached is a revised draft of the Assignment Agreement (clean and blackline) incorporating your comments except for the indemnity comment in section 2. We are not going to provide indemnities here. This is a clean break and parties are giving mutual releases. Whatever rights former members have under the Act they will have. Also, we do not understand the comment regarding the amendment. As soon as we sign this assignment we are free to amend and/or restate the LLC Agreement to whatever we want.

As for points below--3 and 4 are fine. On #2, it was not an oversight. We were following your email which provided for 6 month consultation period following your resignation at year end.

From: Steve Hanson [mailto:[REDACTED]]

Sent: Thursday, December 12, 2013 11:57 AM

To: Ellis Rinaldi; Barry Sternlicht

Cc: Dan Yih; Eric Franklin; Stephenson, Tim; Charnas, Brandon S.; [REDACTED]; [REDACTED];
Schechter, Jonathan A.

Subject: RE: Revised Separation Agreement

Ellis,

The NITS-

1. The document attached- assignment – 6 items to address.
2. I think there was an oversight on date consulting ends – should be June 15th not June 30th.
3. Please change organizations name on schedule VIII to NYC Hospitality Alliance.

4. Page 12 7B 5 lines down- you have two the remove the,

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From: Ellis Rinaldi [mailto: [REDACTED]]
Sent: Thursday, December 12, 2013 10:02 AM
To: Steve Hanson; Barry Sternlicht
Cc: Dan Yih; Eric Franklin; Stephenson, Tim; Charnas, Brandon S.; [REDACTED]; [REDACTED]; [REDACTED]
Subject: RE: Revised Separation Agreement

We will discuss 1-3 and get back to you.

On 4 ... it is best if you give us all your comments. a minor markup of your remaining "nits" is best. Re "negligent disclosure" it has been in the past drafts and every atty knows what it means. Your counsel can explain it to you. Thx.

From: Steve Hanson [mailto: [REDACTED]]
Sent: Thursday, December 12, 2013 9:29 AM
To: Barry Sternlicht
Cc: Dan Yih; Ellis Rinaldi; Eric Franklin; Stephenson, Tim; Charnas, Brandon S.; [REDACTED]; [REDACTED]; [REDACTED]
Subject: RE: Revised Separation Agreement

Barry,

We are just about there, The lawyers are reviewing the language today, and we should be able to close today or tomorrow.

A few questions/thoughts:

1. If you follow the previous email trail and document revisions from your side, the last document from your side agreed to the non-compete limited to NY and NJ, mirroring the agreement in our LLC operating agreement. When I asked for you to consider allowing a carve-out for 2 restaurants, I thought that the carve-out was for 2 restaurants located in NY and NJ. The last draft showed a change eliminating the opportunity for me to be able to work in the entire United States, except for 2 restaurants outside of NY and NJ? Thoughts?
2. I think it reasonable that I should be given notice, if you guys think I breached our agreement and a period within which to cure the breach. mirroring all our other agreements. and I also assume that as I am going to try to help you sell the co. that once sold I get my 500k and the non compete goes away separate from strip house. Is that right?
3. I am now told that you may no longer want to agree to the provisions in Section 12 of the Separation Agreement that the loser pays a penalty for bringing and losing an arbitration regarding Section 5(b)(ii) and non-payment under Section 5(d)? Is that true? Yesterday's draft of the Separation Agreement still includes the loser pays provision in Section 12. with a notation that says open.

4. Obviously, some of the legal language in the documents needs small adjustment. For example, I don't know what "negligently discloses" covers at the beginning of Section 5(b)(iv). And I assume the assignment doc for stock should include assumptions as well as assignments.

Otherwise, I think we are ready to go.

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From: Schechter, Jonathan A. [mailto: [REDACTED]]
Sent: Wednesday, December 11, 2013 3:41 PM
To: [REDACTED]; Steve Hanson; [REDACTED]
Cc: [REDACTED]; [REDACTED]; [REDACTED]; Stephenson, Tim; Charnas, Brandon S.
Subject: Revised Separation Agreement

Attached is a revised draft of the Separation Agreement (clean and blacklined against the prior draft), reflecting the latest correspondence between the parties. I am also attaching the Assignment Agreement for the membership interests.

Please note the attached remains subject to any further comments Starwood may have.

Best regards,

Jonathan

Jonathan A. Schechter, P.C.
Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022

[REDACTED]

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