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December 3, 2019

E-MAIL

Sigrid S. McCawley, Esq.
Boies Schiller Flexner LLP
401 East Las Olas Boulevard
Suite 1200
Fort Lauderdale, FL 33301

Re: Estate of Jeffrey E. Epstein

Dear Ms. McCawley:

We write in response to your letter dated November 22, 2019, posing two inquiries concerning the proposed Epstein Victims' Compensation Program (the "Program") presented by the Co-Executors of the Estate of Jeffrey E. Epstein (the "Estate") on November 14, 2019 to the Superior Court of the United States Virgin Islands (the "USVI Court") for approval. Our response does not constitute the Co-Executors' position regarding discovery (e.g., whether discovery is appropriate at this time or the information you requested is discoverable in the actions pending in the Southern District of New York); rather, we respond in order to further the parties' discussions concerning the Program.

Accordingly, we repeat your inquiries below and address them to the best of our ability based on currently available information.

1. "What is the total value of Epstein's Estate?"

The total assets held by the Estate are a matter of public record: the Co-Executors' Petition for Probate and for Letters Testamentary, filed on August 19, 2019 in the United States Virgin Islands, valued the Estate's assets in excess of \$577 million.

However, the Estate is subject to substantial potential liabilities in an undetermined amount, which makes it impossible to accurately calculate the total value of the Estate. Among other things, (i) the Estate is subject to estate taxes in at least two jurisdictions, the United States and France; (ii) the United States Department of Justice has indicated that it may seek civil forfeiture of properties held by the Estate; and (iii) your clients and other claimants have lodged 17 separate lawsuits in New York state and federal courts, seeking multi-million-dollar damages awards. Moreover, the number and size of future claims is unknown: one plaintiffs'

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counsel recently predicted that “[p]otentially dozens” more additional lawsuits will be filed, without specifying exact numbers of such cases or the damages that may be sought.¹

For these reasons, it is simply not possible at present for the Co-Executors to state the total value of the Estate. However, if you and other plaintiffs’ counsel provide us with a complete report on how many additional claims your clients intend to assert — as well as a realistic assessment of damages to be sought in those claims — the Co-Executors can gain a better understanding of the Estate’s potential liabilities.

2. “How much of Epstein’s Estate will be set aside for compensating victims through the proposed claims resolution program?”

The Co-Executors await approval of the Program by the USVI Court. In the interim, Program Administrator Jordana Feldman and Program Designers Kenneth Feinberg and Camille Biros are proceeding with preparation of a detailed Program protocol to establish a fair, independent claims resolution process as a voluntary alternative to protracted civil litigation. As we understand it, the Program Administrator intends to reach out to your firm and other plaintiffs’ counsel for input on the content of that protocol.

Once the Program protocol is finalized, the Co-Executors will submit it to the USVI Court for approval and seek an order to formally commence claims resolution proceedings under the Program. It remains to be seen how many claimants — your clients included — will decide to participate in the Program. When the number of participating claimants become clearer, the Co-Executors anticipate being better able to estimate how much money will ultimately be required to adequately fund the Program. It is the Co-Executors’ intent that the Program be “open-ended” regarding amounts awarded — *i.e.*, the Estate will not impose any absolute numerical cap on the Program’s aggregate compensation payments.

* * * * *

For any other questions you or your clients may have about the proposed Program, we urge you to contact Ms. Feldman and her team as soon as possible. It is also in all parties’ interests for you to begin a constructive dialogue with Ms. Feldman and her team. We appreciate any assistance your firm and other plaintiffs’ counsel can provide in enabling the Program to serve its desired function as a preferred, confidential, non-adversarial alternative to litigation, both for your clients and any other individuals seeking to resolve sexual abuse claims against Mr. Epstein or the Estate.

¹See November 21, 2019 transcript of proceedings held in *Doe v. Epstein, et al.*, 19-CV-07675 (GBD) (S.D.N.Y.) and *VE v. Nine East 71st Street, et al.*, 19-CV-07625 (AJN) (S.D.N.Y.), at 38:7-14.

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Sincerely,

/s/ Bennet J. Moskowitz
Bennet J. Moskowitz

cc: David Brodie, Esq. (via Email)
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