To: Jeffrey Epstein[jeevacation@gmail.com]
Cc: harry beller [redacted];
[redacted]
From: Barrett, Paul S
Sent: Thur 8/25/2011 11:58:46 AM
Subject: Haze Trust

Jeffrey

Update on Haze:

HY spreads have widened around 200bps since July which has hurt the mtm on our bond and pfd positions. The biggest selloff has been with the Bank of America Pfds which are down almost 25% since we bought them. From a capital perspective they are well positioned to meet Basel III capital requirements. Any common equity capital raise would be good for our pfds.

BAC Pfd down 740K

HY Bond Fund down 426K

Account down $1.6MM

We remain comfortable with the names we own but will re-asses these positions in early September. Illiquidity has exacerbated many of these recent moves.

Paul

Paul Barrett, CFA

Managing Director

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[redacted]