

USCG Due Diligence Report - Corporation  
DDR Name: Freedom Air International, Inc. ~  
DDR Type: REVISED  
DDR Status: Process Completed

Banker Information

Banker:

Paul V Morris/JPMCHASE

LE/OU:

Banker SID:

Banker BAC:

Banker FNEN:

Banker History:

03/04/2010 11:24:53 PM - CRD / Notrix changed: Banker from Mary C Casey/-  
JPMCHASE to Paul V Morris/JPMCHASE.

DM ID Link Information

The DM for this DDR is DM Name -JEFFREY E EPSTEIN CAS ID - 9710670708.

The following DDR's are associated with this Decision Maker .

DDR Name

116 East 65th St., LLC

Air Ghislaine, Inc.

Air Ghislaine, Inc.

Darren K. Indyke PLLC

Epstein, Jeffrey

Epstein, Jeffrey

Epstein, Jeffrey

Epstein, Jeffrey

Epstein, Jeffrey

Epstein, Jeffrey

Freedom Air International, Inc.

HBRK Associates Inc.

Hyperion Air, Inc.

I-Correct.com LLC

Jege, Inc.

LYN & JOJO LLC

MAX Foundation

Maxwell, Ghislaine

Plan D, Inc.

The 2007 Jeffrey E Epstein Insurance Trust

#2 - November 1, 2007

The 2007 Jeffrey E Epstein Insurance Trust

#3 dtd November 1, 2007

The 2007 Jeffrey E. Epstein Insurance

Trust #1 Dtd November 1, 2007

The Haze Trust

Corporation Name/Contact Information

Banker

Casey, Mary C

Casey, Mary C

Casey, Mary C

Casey, Mary C

Morris, Paul V



Full Legal Corporate

Name:

Freedom Air International, Inc.

(No P.O. Box address. Must be a physical address.)

Primary Corporate Address

Name:

Attention:

Address Line 1:

Address Line 2:

City:

State:

Province:

Postal/Zip Code:

Country:

Tax ID # :

Business Phone:

State of Domicile:

Where is the Company

Incorporated?

What document did you obtain to  
evidence state of domicile?

Articles of Incorporation,

Partnership Agreement, etc

10065

UNITED STATES

134109791

Remember to collect W-8's or other applicable tax forms for each  
jurisdiction.

( )DE

Certificate

of Incorporation

8/16/2010

We are updating this DDR to reflect a title change from Schmitka Air Inc. to  
Freedom Air International, Inc. The client has provided us with a

Certificate of

Amendment of Certificate of Incorporation of Shmita Air Inc. and a copy of  
the W9

reflecting this change.

Introduction / Financial Information

Introduction Type:

Specific Information:

Freedom Air International, Inc.

HBRK Associates

301 East 66th St., Suite 10B

New York

NY

Related Client A/C

Jeffrey Epstein introduced Ghislaine Maxwell to the firm.

8/16/2010

We are updating this DDR to reflect a title change from Schmitka Air  
Inc. to Freedom Air International, Inc.. The client has provided us

with a Certificate of Amendment of Certificate of Incorporation of Shmitka Air Inc. and a copy of the W-9 reflecting this change.

(Please identify referral source, etc.)

Have you met with the Principal/Authorized Individual?

Legal Entity:

Corporation

Corporation

What is the nature of the business operations?

(Describe products and services offered, how long in business, etc. If this is an operating company, indicate appx. number of locations and appx. number of employees, list a website if available)

Public or Privately owned? (if public, where traded?)

Locations served?

Is this a cash intensive business or a business that uses cash as it's principal activity? (e.g. convenience store, restaurants, retail stores, liquor stores, cigarette distributor, vending S-corporation that holds private aircraft.

Private

machine operator, parking garage, any other business in which cash is its principal activity)

Principal Shareholder(s):

Identify the principal shareholders. If the entity is owned by an intermediate legal structure (e.g. LLC or Partnership), please list the ultimate individual shareholder(s) on whose behalf the account is maintained.

Last Name:

First Name:

Maxwell

Ghislaine

% of Ownership:

100

SSN

[REDACTED]

DOB

Form of Govt

[REDACTED]

Issued ID Obtained

Driver's License

Is this an operating company?

Entity/Client Net Worth:

\$ 20.00 (USD millions)

Documentation/ Information obtained to confirm stated net worth of the Entity/Client:

Industry Code:

The Business Type is the industry in which the client derives the majority of its income.

Transaction Profile/Expected Account Activity

What is the purpose/intended use of this account?

What is the expected source of account funding ?

Approximate \$ amount to fund the account

:

To manage operational expenses related to personal aircraft.

Other

If "Other" please describe

Transfer in from Ms. Maxwell's personal account

\$50,000

Please select each "Product Type" that applies. Within each product type, please check ALL transaction types that apply and provide a description of expected account activity. (document expected sources of inflows and destinations of transfers, countries, and types of payors/payees. Include where is the money coming from - example : A specific bank or firm and purpose of specific transactions, if known)

Product Type - Select all that apply

Transaction Types - Select all that apply and expected activity level ( L = 1-5, M = 6-12, H =>12 transactions

per month)

Deposit/Current Accounts

(Checking, Savings, Money Market)

Cash ( withdrawals/deposits) -

Check deposits / Check paid -

Wire Incoming & Outgoing

-

Internal Transfers

Other

Please describe in detail expected account activity for this product :

Investment Products

(Custody,Brokerage,Agency,Margin)

-

-

Operational account

for maintenance of

aircraft.

Anticipated \$

Amount Totals per

month – Please

provide at least an

estimate

Client's liquid assets at JPM plus value of her personal real estate.

PRIVATE HOUSEHOLDS

NAIC Code: 814100

Below \$1MM

Fiduciary

(Investment Mgmt. / Trust)

Credit type facilities

(Line of Credit, Mortgage, Letter of Credit)

Required Security Services Checks

Security Search Type:

Note for Security Services:

Please list any specific search requests/instructions to Security Services here

Full

DDR originally created in ICG. Last report signed off by Security Services on 2/1/08.

DDR title is being changed from Air Ghislaine Inc. to Shmitka Air, Inc. (2/22/2010)

DDR title is being changed from Shmitka Air, Inc. to Freedom Air International, INC. (8/16/2010)

Security Services Information

A Security Services Check is REQUIRED for New Clients and Prospects

This section to be completed by the Security Services Group:

List Individuals and Corporate Entities Investigated:

Attachment:

Please Note: All research is subject to the availability of electronic database resources.

Search Type

Is

Security Service Details:

Further

Review

by

Banker

Require

d?

Company Information

Corporate Records

Other Database Searches

(RDC/CDC/MIS)

Internal Database Search

(CSSS/FPS)

State Court Searches

Yes

No

No

No

Information not confirmed; details included in the attachment.

Information confirmed; details included in the attachment.

No additional research necessary.

Information confirmed; details included in the attachment.

Reference section of the DDR titled "Red Dot (derogatory information) identified:" to view the specifics on the adverse information GS&I has identified for this account

No

Federal Court Searches No  
Personal Particulars  
Publications  
Regulatory Sanctions

No  
No  
No

OFAC/Control List Search No

No records were found.  
No records were found.  
No additional research necessary.  
Publications revealed nothing derogatory.  
No records were found.  
No records were found.

Has this been identified as a Red Dot DDR? :

Red Dot (derogatory information) Identified:

Red Dot information is any derogatory information identified by Global Security Services which warrants the attention of the banker. The presence of "Red Dot" information does not necessarily mean that an existing relationship will be exited or a potential client relationship not pursued. The banker should document any conversations that have taken place with the client/prospect, if any, with regard of the issue and whether or not this impacts his/her, or management's decision to continue with or accept the person/entity as a client.

Security Service Details (Include DDR names in which this was previously reported, if any)

Proceed with or maintain the client relationship

Yes / No

Banker Response (If "Yes", please provide your rationale for proceeding with or maintaining the client relationship. If "No", please specify steps that will be taken)

The following information was previously reported to Mary Reith on 03/17/2003 under the account Ghislaine Maxwell (DDR # 1185/03):

Several newspaper articles detailing the investigation conducted by Britain's Serious Fraud Office against Robert Maxwell. He allegedly used pension funds to  
Discussed with management

reviewed

Banker

Response:

service debts, cover operating losses, gamble in the foreign exchange markets, and support the stock of his publicly held companies. The agency is also looking into a complaint from Swiss Bank Corp., which says it did not receive collateral for a \$100 million loan to a small private Maxwell company.

Newspaper article dated 12/01/2000, which stated that "Ghislaine Maxwell's source of wealth is being classified as something of a mystery."

Newspaper article dated 08/09/1996 detailing the arrest of Ghislaine Maxwell on DWI charges.

Numerous newspaper articles detailing the criminal fraud charges brought against Kevin and Ian Maxwell (sons of Robert Maxwell).

The following information was previously reported to Mary Reith on 10/20/2005 under the account Forums, LLC (DDR # 11374/04):

Newspaper article dated 6/23/2005 detailing Robert Maxwell misappropriated funds from the companies under his control. According to the newspaper article, "He pledged assets as security for additional loans", but instead of delivering the assets to the lender, he would simply sell the assets for cash. "For example, Berlitz language school was supposedly sold to a Japanese publishing company, but the shares had previously been pledged as security for loans from Swiss Volksbank and Lehman Brothers."

Expense No.:

Total Costs:

Signed by:

Dated:

99/31167

\$0.00

Rohit Mehra

03/11/2010 01:28:14 PM

Background Checks conducted in addition to Security Services

Background Check

Date

(Required If Check Carried Out)

05/13/2009

Comments

(Required If Check Carried Out)

Ms. Maxwell is an existing client with a DDR on file. She was referred by Jeffrey Epstein, an existing client with a complete DDR on file. Ghislaine Maxwell is a close friend of Jeffrey Epstein and he referred her to us. She had also met with Jes Staley around this same time in 2003. She is a high profile person given her family background (Robert Maxwell, who had been accused of fraud in the UK for allegedly using pension funds for personal debts, among other issues) and the circumstances

surrounding her father's death. Because she had no involvement in her father's company or affairs, we do not feel that this is an issue for PB.

She also has authority jointly with Jeffrey Epstein on several accounts. Please note that Mr. Epstein does not have authority on Air Ghislaine, Inc. Jeffrey Epstein is an existing client of PB. In years past, Mr. Epstein was an active brokerage client, particularly in foreign exchange, and as of this year he is a custody-only client. Formerly, Jeffrey Epstein was a money manager to high net worth individuals, most notably Leslie Wexner. Wexner was a JPM client and then retained Epstein in the late 90s. Mr. Wexner terminated his relationship with Epstein in 02/2008.

Mr. Epstein was convicted of a felony charge in 2008 and served an 18-month prison sentence.

Summary

Summary Of Findings:

Ghislaine Maxwell is a close friend of Jeffrey Epstein and he referred her to us. She had also met with Jes Staley around this same time in 2003. She is a high profile person given her family background (Robert Maxwell, who had been accused of fraud in the UK for allegedly using pension funds for personal debts, among other issues) and the circumstances surrounding her father's death. Because she had no involvement in her

father's company or affairs, we do not feel that this is an issue for PB. She also has authority jointly with Jeffrey Epstein on several accounts.

Please note that

Mr. Epstein does not have authority on Air Ghislaine, Inc. Jeffrey Epstein is an existing

client of PB. In years past, Mr. Epstein was an active brokerage client, particularly in

foreign exchange, and as of this year he is a custody-only client. Formerly, Jeffrey Epstein

was a money manager to high net worth individuals, most notably Leslie Wexner. Wexner

was a JPM client and then retained Epstein in the late 90s. Mr. Wexner terminated his

relationship with Epstein in 02/2008.

Epstein is well known to several JPM PB employees and to Jes Staley. Mr. Epstein was

convicted of a felony charge in 2008 a 8/16/2010

We are updating this DDR to reflect a title change from Shmitka Air Inc. to Freedom Air

International, Inc. We have received from the client a copy of the Certificate of

Amendment of Certificate of Incorporation of Shmitka Air, Inc. and a copy of a W-9

reflecting this change.

Anticipated Product(s)

Others

Client Hierarchy Assignments

GRAY SHADED AREA CONTAINS SPN/CAS ID ASSIGNMENT INFORMATION

Banker SID

N256838

Banker BAC:

FNEN:

8634--CHBG

01

Does the DDR have Multiple Entities?

Client Hierarchy and Additional Entity Assignment:

Name

Air Ghislaine, Inc.

Linked to DM Name

JEFFREY E EPSTEIN

Date of Birth

.

Tax ID

134109791

SPN No

7704674

Contact Information for each entity named within the Client Hierarchy Table:

Associated Entity

Government issued

I.D Obtained

Air Ghislaine, Inc.

Do any of the above entities require a joint SPN?

Select Yes, if multiple entities will share the same account (OMNI, CASII or Olympic)

Tax ID #

134109791

.

Existing

CAS Id

0220476436

Linking to

DM Id

9710670708

CAS ID

0220476436

Citizenship

Does the DDR have Multiple Owners?

Name

Government issued

I.D Obtained

Tax ID #

Date of Birth

Attention

Address Line 1

State

Citizenship

Zip

Address Line 2

Province

City

Country

Approval Information

Public/High Profile Figure

No

High Risk Jurisdiction

High Risk Business

Is this a Foreign Bank?

"Foreign Bank" as defined in the USA

PATRIOT Act.

Banker:

LE/OU:

Senior Manager:

Paul V Morris/JPMCHASE

102/29338

Mary C Casey/JPMCHASE

No

No

No

Annual / Periodic Review Information

Annual/Periodic Review

Due in:

36 months

Periodic Review Comments :

Banker Approval Information

Sponsorship affirmation -

Based on my due diligence and the information provided , I approve and accept sponsorship of Freedom Air

International, Inc. ~ as a Client from inception and throughout the client relationship.

Paul V Morris 07/14/2011 02:06:15 PM

Senior Manager Approval Information

Based on the information provided and the approval granted by Paul V Morris, I approve the acceptance of Freedom Air

International, Inc. ~ as a Client.

Thomas K. Southmayd 07/18/2011 10:58:25 AM

Quality Reviewer Information

1st Quality Review Comment:

2nd Quality Review Comment:

Bonnie K Perry on 6/12/2009 3:01:32 PM Comments : Ok to approve. Client is being redocumented on USCG. Previous DDR within ICG DDR Database.

3rd Quality Review Comment:

4th Quality Review Comment:

5th Quality Review Comment:

Admin Comments

Admin Comments:

By:

Date:

Admin Comments History :

Document History

Created: 01/23/2009

Last Modified: 07/18/2011

Submitted: 03/11/2010 01:28:15 PM

Recorded: 07/18/2011 10:58:29 AM

Audit History

18. Senior Manager Approved on Behalf of Mary C Casey because designated Senior Manager is Senior manager

unavailable. performed by: Thomas K. Southmayd on: 07/18/2011 10:58:27 AM

17. 'Banker Approval' performed by: Paul V Morris on: 07/14/2011 02:06:36 PM

16. Submitted for Banker Approval SS Type = Full performed by: Rohit Mehra on: 03/11/2010 01:28:47 PM

15. Button: 'Print' performed by: Javia S Hairston on: 02/22/2010 04:09:43 PM

14. Submitted for Security Services Approval performed by: Lucy Baglivo on: 02/22/2010 02:51:48 PM

13. DDR Regression - Status changed from: Awaiting Security Services Research to Composing for the following reason:

Need to make another change performed by: Lucy Baglivo on: 02/22/2010 02:51:07 PM

12. Submitted for Security Services Approval performed by: Lucy Baglivo on: 02/22/2010 02:48:27 PM

11. Button : 'Update/Revise DDR' performed by: Lucy Baglivo on: 02/22/2010 02:45:56 PM

10. Input/Update High Profile figure set to 'No' performed by: Bonnie K Perry on: 10/30/2009 03:59:35 PM

9. 'Area Head Approval' performed by: Catherine Keating on: 06/15/2009 04:18:25 PM

8. Quality Review performed by: Bonnie K Perry on: 06/12/2009 03:02:29 PM

7. 'Senior Manager Approval' performed by: Marcus Sheridan on: 05/19/2009 01:35:27 PM

6. 'Banker Approval' performed by: Mary C Casey on: 05/19/2009 11:08:34 AM

5. Assign SPN/CAS ID/Tax ID performed by: Bonnie K Perry on: 02/11/2009 03:03:39 PM

4. Submitted for Banker Approval SS Type = Full performed by: Camila X Lopez on: 02/05/2009 11:31:44 AM

3. Button: 'Flag: Security Check has begun' performed by: Ligaya X Felismino-Stesner on: 01/23/2009 01:25:38 PM

2. Button: 'Print' performed by: Ligaya X Felismino-Stesner on: 01/23/2009 01:19:41 PM

1. Submitted for Security Services Approval performed by: Maria A. Couto on: 01/23/2009 12:37:03 PM

Converted Tracking Document History:

Removed flag - Sonar alerts only

Bonnie K Perry/JPMCHASE

10/30/2009 03:58:28 PM

By: Maria A. Couto

By: Thomas K. Southmayd

By: Rohit Mehra

By: Thomas K. Southmayd

CN=Ujwala Srinath/0=JPMCHASE: 630510b.doc

CN=Ujwala Srinath/0=JPMCHASE: 250609B.doc

CN=Ujwala Srinath/0=JPMCHASE: 1137404B.doc

CN=Ujwala Srinath/0=JPMCHASE: 115408B.doc

CN=Ujwala Srinath/0=JPMCHASE: 1369906B.doc

CN=Ujwala Srinath/0=JPMCHASE: 108208B.doc