

From: [REDACTED]
[REDACTED]
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[REDACTED]

Subject: RE: WSJ article on Deutsche Bank and Epstein charity

Date: Sun, 15 Sep 2019 00:32:47 +0000

Attachments: Exhibit - Timeline of Payments to Potential Co-Conspirators (002).pdf; 2019-09-09_Epstein_Finances - news_articles_summaries.docx

Following up on the below from earlier this week, this seems like as good a hook as any to provide an update on the financial side of the investigation. Our review of financial information has been extensive and robust, but ultimately it hasn't resulted in anything actionable from a charging perspective; still, so you know what we've done, we wanted to provide a rundown.

Broadly speaking, we are aware of many, many financial holdings, transactions, and relationships undertaken by Epstein and various associates, including, for example, the Gratitude America entity described below. Essentially all of what the WSJ article covered had been previously reported, with the exception of the information that Gratitude America had an account at Deutsche Bank, which we also knew. But just generally, there are dozens or hundreds of transactions and relationships of which we're aware that likely would be newsworthy, and we wouldn't be surprised if many of those details trickled out over the course of months.

We knew, for example, about Epstein's relationship with—and significant payments to—Joichi Ito of MIT and the New York Times Company, as well as other payments to institutions like Harvard and MIT and to a wide variety of individuals (or entities relating to, or apparently for the benefit of, individuals) including Ehud Barak (former Prime Minister of Israel), Bruce Moskowitz (a close friend of President Trump and one of three Mar-A-Lago members who are purportedly running much of the VA from outside the government), Noam Chomsky, Woody Allen, and a handful of other prominent academics and international figures—in addition to payments to more than 25 women who appear to be Eastern European models. He also has personal and financial connections to billionaires including Glenn Dubin, Barry Diller, Leslie Wexner, Henry Jarecki, Andrew Farkas, and Leon Black.

None of the payments to the individuals described above appear to have any connection to criminal activity, and I don't think any of the financial information we've seen so far would lead us to initiate a separate financial investigation.

We've also identified payments to individuals more closely involved in our investigation, such as [REDACTED] (who received approximately \$20K in 2013 and 2014, in connection with her business, in addition to the \$250K you already know about), [REDACTED] (who received about a dozen payments between 2013 and 2019 in amounts ranging from \$20-100K), and [REDACTED] who appears to have been paid approximately \$100K each year roughly around Christmas time.

Most of the payments we've been interested in, those made to alleged co-conspirators, were made from one particular trust account at Deutsche Bank, and so we're asking JPMorgan to prioritize payments from that trust account for its production from before 2013, which is when Epstein switched from JPMorgan to Deutsche.

On the Deutsche Bank front more generally, we got an extremely thorough presentation from them on Thursday; we met with them for about three hours, and they provided a 50-page summary of their analysis, which we can give you copies of if you'd like. They broke his finances down into a number of useful categories, including listing various types of transactions by type and recipient. See, for example, the attached breakdown of payments to individuals DB identified as having been publicly reported as possible co-conspirators.

One notable thing is that while there has been a lot of press about how he had 70+ accounts with Deutsche, only about 40 were ever capitalized, and looking at them, they all appear to have fairly obvious purposes—i.e., nothing that

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immediately would raise suspicion in terms of an entire account. Also, there doesn't seem to be any evidence that he was trading on behalf of others in these accounts, which is consistent with him getting a huge chunk of money from Wexner (and possibly others like Black, Dubin, etc.) in the 90s and early 00s and then basically living off the income from his own investments after his first arrest. I don't think we can say that with 100% certainty, but that's what it looks like from 2013 on, in the DB accounts.

We expect to go through a similar process with JPMorgan, which is now represented by Anjan, whom we spoke to on Monday.

We've also been in touch with counsel (Reed Brodsky) for Honeycomb Asset Management, a hedge fund with which Epstein invested a little less than \$100 million; they forced him to redeem (with one complicated exception) following our indictment. They've also provided information on where they transferred those funds to, but there isn't much additional detail in terms of useful transactions, those appear to have just been normal investments with Honeycomb.

Separate from the bank information, we've read and researched well over 100 articles on his finances. As we go, we've summarized some of the more interesting pieces, for our internal reference, through about a month ago. Some of them are now outdated, but our working document is attached—it's about 10 pages of bullet points on 25 or so articles.

So far, there hasn't been anything that jumps out to us as criminal—with the exception of the Wexner stuff we've talked about, and which has now been widely reported, from pre-2008, and the Hoffenberg allegations that Epstein was involved in Hoffenberg's massive Ponzi scheme in the 90s—and worth digging into in particular. But we'll of course continue to review and process additional information that comes in through subpoena, or that's raised in the press, and will let you know if that changes.

And happy to discuss any of this in person if useful.

thanks,

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From: ■ >
Sent: Monday, September 09, 2019 09:47
To: ■
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Subject: FW: WSJ article on Deutsche Bank and Epstein charity

■ – As discussed just now, see below. Let's chat more after you've had a chance to review. Thanks

From: ■
Sent: Sunday, September 8, 2019 7:57 PM
To: ■
■
Subject: Fwd: WSJ article on Deutsche Bank and Epstein charity

Thought some of this might actually be helpful to you. Just let us know if we're able to guide her on any of this. Thx!

Sent from my iPhone

Begin forwarded message:

From: "O'Brien, Rebecca" <■ >
Date: September 8, 2019 at 7:19:08 PM EDT

To: [REDACTED]
Subject: WSJ article on Deutsche Bank and Epstein charity

Hi Nick,

I'm working on a story about one of Jeffrey Epstein's recent Virgin Islands-based charities, Gratitude America, which is interesting for a few reasons:

1. It got most of its funding from a \$10 million grant from a foundation controlled by Leon Black (of Apollo) in 2015
2. Some of Gratitude's donations between 2016 and 2017, listed in its tax forms, were never received by the named charities.
3. Epstein attempted to use the charity to pay fines in the Virgin Islands.
4. Gratitude America had a Deutsche Bank account.

The last point, about Deutsche Bank, is the new news here. To that end, I have a few questions for SDNY about the charity and the bank.

1. We write that SDNY is scrutinizing Epstein's relationship with Deutsche Bank. I believe this has already been reported – but a few questions:
 - For fairness reasons: Is it fair to say that Epstein's relationships with ALL his banks is under scrutiny?
 - Is DB in trouble here? Do they face any criminal exposure?
2. Is SDNY looking into Epstein's work with his nonprofits and foundations? Is there interest in his charities' financial transactions, or tax filings?
3. We write that the investigation is ongoing. Does it remain a sex-trafficking investigation, or is this now expanding into possible financial wrongdoings and other matters?
4. As far as you know, are other investigative entities looking at Epstein? NY AG? IRS?
5. We write that Gratitude America's activity could be of particular interest to prosecutors because the transactions took place within the past five years (within the statute of limitations for fraud charges) and because they involved some of his closest associates (two of his personal lawyers were on the board, his accountant served as the foundation's president). This is just logical, in my mind, and several sources suggested it would be of interest – but maybe I'm going too far?

We are hoping to get this story out tomorrow afternoon or first thing Tuesday. Any guidance would be greatly appreciated.

Thank you,
Rebecca

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Rebecca Davis O'Brien
REPORTER

The Wall Street Journal

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