

EXHIBIT 97

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Sent: 7/15/2008 1:31:53 PM
Subject: Rapid Response Memo - Epstein
Attachments: Rapid Response Team - Jeffrey Epstein 2nd Mtg - July 2007.doc.zip

For the 2:00 pm EST Rapid Response Meeting on Jeffrey Epstein:

(See attached file: Rapid Response Team - Jeffrey Epstein 2nd Mtg - July 2007.doc.zip)

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**Rapid Response Team
July 15, 2008
Existing Client – Jeffrey Epstein (Follow-up Rapid Response Mtg.)**

Private Banker – Mary Casey – 212 464-0374
Senior Manager – Marc Sheridan – 212 464-1321

Nature of Existing Relationship

The Epstein relationship, which includes accounts for his personal investment company – Financial Trust Company, mainly consists of banking and asset accounts with balances totaling approximately \$121.5 million. He has one open credit account with a -0- balance.

[EMBED AcroExch.Document.7]

Source of Wealth

Jeffrey Epstein is a money manager for wealthy individuals. Press articles indicate that he owns what is said to be the Manhattan's largest private house and runs his business from a 100 acre private island in St. Thomas.

Derogatory Information originally reported by Security Services (September, 2006)

The following derogatory information was identified by Security Services within related entity DDRs for Jeffrey Epstein:

- Several newspaper articles were found that detail the indictment of Jeffrey Epstein in Florida on felony charges of soliciting underage prostitutes.

Derogatory Information Update – July 2008

On July 3, 2008, Jeffrey Epstein was sentenced to 12 months in jail for solicitation of a prostitute and six months for procuring a person under age 18 for prostitution. His jail sentence will be followed by 12 months of house arrest.

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Conclusion from 1st Rapid Response Meeting of 10/17/06

After internal discussions with Jes Staley, Mary Erdoes, Catherine Keating, John Duffy and Mary Casey, it was decided that we will keep Mr. Epstein solely as a banking client and on a 'reactive', client service basis. We will not proactively solicit new investment business from him.

Conclusion from follow-up Rapid Response of 7/15/08:

CONFIDENTIAL – ATTORNEY CLIENT PRIVILEGE

Article 1

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OPINION

RICH MAN FOUGHT THE LAW -- AND HE MOSTLY WON

481 words

7 July 2008

The Palm Beach Post

FINAL

14A

English

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Jeffrey Epstein

Two years after a grand jury indicted him on a felony charge of solicitation of prostitution, **Jeffrey Epstein** finally admitted that he lured a teenage girl to his \$8.5 million, 13,000-square-foot Palm Beach mansion for sex. A week ago, the 55-year-old investment banker began serving 18 months in jail.

But that plea deal -- guilty of felony solicitation of prostitution and procuring a person under the age of 18 for prostitution -- does not account for all five of the girls, one as young as 14, who alleged that Epstein sexually abused them. And why is Epstein serving his term in the overcrowded Palm Beach County Jail and not a state prison, where inmates are sent if their sentences are longer than one year?

The slow, dissatisfying resolution of the case sends a message to the public that there's a different system of justice for the wealthy who hire high-powered lawyers. Epstein's legal team included West Palm Beach defense attorney Jack Goldberger, Harvard Law School Professor Alan Dershowitz, who defended O.J. Simpson against murder charges, and Kenneth Starr, the prosecutor who pursued then-President Bill Clinton for lying about sex with young women.

Palm Beach police spent 11 months investigating Epstein before State Attorney Barry Krischer sent the case to a grand jury, instead of charging Epstein so the man who once boasted of accepting only billionaire clients could face a trial. The police had taken a high school transcript, class schedules and phone messages from Epstein's home that showed he knew the girls were underage. Yet Mr. Krischer was more swayed by Epstein's lawyers, who attempted to impugn the girls' character by showing they had chatted on mspace.com about smoking marijuana and drinking. He should have let a jury decide whether the victims -- and Epstein -- were credible.

Ultimately, one charge against Epstein finally reflected the age of one victim, and the plea agreement left Epstein labeled a sex offender. With that additional charge, if Epstein had been convicted at a trial, he could have been sentenced to anything from probation to 15 years in prison, Assistant State Attorney Lanna Belohlavek said, adding that the recommended guideline sentence was 21 months.

Epstein also won't have to certify to the court that he is receiving counseling, typically required of sex offenders, because he has a private psychiatrist. But without court supervision, who will ensure Epstein is in fact being treated?

The plea deal also drops a federal investigation of Epstein. If a federal investigation was warranted, how does dropping it before completion benefit the public?

Epstein preyed on girls and denied it. For three years, his wealth and the influence of his lawyers bought him the protection the state attorney owed to the victims.

PHOTO (B&W)

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Article 3

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A SECTION**EPSTEIN PLEADS GUILTY, GIVEN 18 MONTHS IN JAIL**

By WILLIAM KELLY Daily News Staff Writer

653 words

3 July 2008

Palm Beach Daily News

FINAL

A1

English

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Jeffrey Epstein (mug)

Taken into custody.

Palm Beach billionaire Jeffrey Epstein pleaded guilty Monday in Palm Beach Circuit Court to felony charges that he solicited underage girls for prostitution.

Judge Deborah Dale Pucillo sentenced Epstein, 55, to 18 months at the Palm Beach County Jail, followed by 12 months of house arrest, during which he will be confined to his home on El Brillo Way and permitted to leave only for work or community service.

Epstein was taken directly into custody.

He was sentenced to 12 months in jail for solicitation of a prostitute and six months for procuring a person under age 18 for prostitution.

That will be followed by 12 months of house arrest, during which time he will be allowed no unsupervised contact with minors and no access to pornographic materials.

The State Attorney's Office would not say how many victims there were in the case, but the incidents occurred in 2004 and 2005.

In court Monday, Epstein wore a blue blazer, tennis shoes and blue jeans, and was accompanied by at least two attorneys, West Palm Beach lawyer Jack A. Goldberger and Miami attorney Guy Lewis.

Epstein responded politely when asked by the judge if he had read and fully understood the terms of his plea agreement.

As a condition of the agreement, Epstein will be registered as a sex offender for the rest of his life. But he will not be required to undergo treatment for his condition. His lawyer said Epstein has been seeing a psychiatrist.

After he leaves jail, Epstein will not be required to wear an electronic monitor, but will have to keep a daily log of his activities and maintain weekly contact with a probation officer. He will be allowed to leave his home for up to a half-hour while traveling to and from work or community service.

Goldberger would not comment on the case. But Epstein's spokesman, Howard J. Rubenstein, said in a statement that Epstein has now resolved the criminal case.

"Mr. Epstein accepted responsibility for the charges, relating to conduct that occurred several years ago," Rubenstein said.

A Manhattan investment banker, Epstein was scheduled to go to trial in July after being indicted in July 2006 on a felony charge of soliciting prostitution.

The indictment followed an 11-month investigation by Palm Beach Police, who said Epstein paid five underage girls for massages and sometimes sex at his El Brillo Way home.

Police turned the case over to State Attorney Barry Krischer's office with a probable cause affidavit that said Epstein should be arrested on four counts of unlawful sex acts with a minor and one count of lewd and lascivious molestation, all second-degree felonies.

But rather than arresting Epstein on those charges, Krischer's office took the case before a grand jury, which indicted him on one count of solicitation of prostitution, a third-degree felony.

Reiter, reportedly infuriated, called Krischer's treatment of the case "highly unusual," and requested and received an FBI investigation to determine whether any laws were broken.

Reiter would not comment for this story and has refused all media requests for comment on the plea agreement.

Epstein also faces five lawsuits in federal and state courts from women who claim that he sexually assaulted them when they were younger than 18. The lawsuits claim Epstein procured the underage girls, through a Palm Beach Community College student, to come to his El Brillo Way home and give him massages.

Lewis, who is representing him in the civil cases, has said the lawsuits are without merit and that the alleged victims lied about their ages.

Epstein was cuffed, fingerprinted and taken to jail. He will fulfill a 12-month community service requirement at his own nonprofit Florida science foundation.

- wkelly@pbdailynews.com

PHOTO (C)

Document PBDN000020080704e4730000c

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Relationship List

Party Name: JEFFREY E EPSTEIN 1405152

Party PCN: 1405152

					Mkt Value
.....E	..116 EAST 65TH ST LLC 7704690 (116 EAST 65TH ST LLC 0220476439)				
.....	...000000739474235	DDA	116 EAST 65TH ST		134,594.81
			SPN/CAS Market Value		134,594.81
.....E	..AIR GHISLAINE INC 7704674 (AIR GHISLAINE INC 0220476436)				
.....	...000000739474324	DDA	AIR GHISL INC		15,666.27
			SPN/CAS Market Value		15,666.27
.....E	..ARTS INTERESTS 1472925 (ARTS INTERESTS 9702082108)				
Closed	...C87104003	CUSTODY	ARTS INTEREST TRUST ACCOUNT		0.00
Closed	...C88279002	CUSTODY	ARTS INTEREST #2		0.00
			SPN/CAS Market Value		0.00
.....E	..ASW HOLDINGS INC 2790149 (ASW HOLDINGS INC 9707853608)				
Closed	...Q78859008	ASSET	ASW HOLDINGS, INC.		0.00
Closed	...X78859000	REPORTING	ASW HOLDINGS INC		0.00
Closed	...Q78859214	MARGIN	ASW HOLDINGS, INC.		0.00
Closed	...Q78859222	MARGIN	ASW HOLDINGS, INC.		0.00
Closed	...Q78859230	MARGIN	ASW HOLDINGS, INC.		0.00
			SPN/CAS Market Value		0.00
.....E	..COMMUNITY INTERESTS 1472941 (COMMUNITY INTERESTS 9702082308)				
.....	...Q73749006	ASSET	COMMUNITY INTERESTS TRUST #2		0.00
Closed	...C87102007	CUSTODY	COMMUNITY INTEREST TRUST ACCOUNT		0.00
.....	...000000000138890	DDA	COMMUNITY INTEREST		0.00
			SPN/CAS Market Value		0.00
.....E	..FAMILY INTERESTS, LP 5028906 (FAMILY INTERESTS, LP 0106438908)				
Closed	...Q39483005	ASSET	FAMILY INTERESTS, LP		0.00
Closed	...X39483007	REPORTING	FAMILY INTERESTS, LP		0.00
Closed	...Q39483211	MARGIN	FAMILY INTERESTS, LP		0.00
Closed	...Q39483229	MARGIN	FAMILY INTERESTS, LP		0.00
Closed	...Q39483237	MARGIN	FAMILY INTERESTS, LP		0.00
			SPN/CAS Market Value		0.00
.....E	..FINANCIAL TRUST COMPANY INC 2811138 (FINANCIAL TRUST COMPANY INC 9707980808)				
.....	...Q78805001	ASSET	FINANCIAL TRUST COMPANY, INC.		4,601,133.95
.....	...Q30171005	ASSET	FINANCIAL TRUST COMPANY INC		107,903,620.45
.....	...X78805003	REPORTING	FINANCIAL TRUST COMPANY INC		0.00
.....	...X30171007	REPORTING	FINANCIAL TRUST COMPANY INC		0.00
.....	...Q78805217	MARGIN	FINANCIAL TRUST COMPANY, INC.		0.00
.....	...Q78805225	MARGIN	FINANCIAL TRUST COMPANY, INC.		33.49
.....	...Q78805233	MARGIN	FINANCIAL TRUST COMPANY, INC.		0.00
.....	...Q30171211	MARGIN	FINANCIAL TRUST COMPANY INC		0.00
.....	...Q30171229	MARGIN	FINANCIAL TRUST COMPANY INC		0.00

Relationship List

Party Name: JEFFREY E EPSTEIN 1405152

Party PCN: 1405152

				Mkt Value
	.....	...Q30171237	MARGIN FINANCIAL TRUST COMPANY INC	0.00
			SPN/CAS Market Value	112,504,787.89
	....E	..FORUMS LLC 5770459 (FORUMS LLC 0220043107)		
Purged	.....	...000000739264567	DDA FORUMS LLC	0.00
			SPN/CAS Market Value	0.00
	....E	..GHISLAINE MAXWELL 5036151 (GHISLAINE MAXWELL 0106585908)		
	.....	...Q52167006	ASSET GHISLAINE MAXWELL	6,964,354.72
	.....	...Q18563009	ASSET GHISLAINE MAXWELL IRA	30,746.64
	.....	...000000739116312	DDA MAXWELL GHISLAINE	138,938.81
	.....	...X52167008	REPORTING GHISLAINE MAXWELL	0.00
	.....	...Q52167212	MARGIN GHISLAINE MAXWELL	0.00
	.....	...Q52167220	MARGIN GHISLAINE MAXWELL	(5.11)
	.....	...Q52167238	MARGIN GHISLAINE MAXWELL	0.00
			SPN/CAS Market Value	7,134,035.06
	....E	..HEALTH & SCIENCE INTEREST II 2668718 (HEALTH & SCIENCE INTEREST II 9707122608)		
Closed	.....	...Q31568001	ASSET HEALTH & SCIENCE INTERESTS II TRUST	0.00
Closed	.....	...X31568003	REPORTING HEALTH & SCIENCE INTERESTS II TRUST	0.00
Closed	.....	...Q31568217	MARGIN HEALTH & SCIENCE INTERESTS II TRUST	0.00
Closed	.....	...Q31568225	MARGIN HEALTH & SCIENCE INTERESTS II TRUST	0.00
Closed	.....	...Q31568233	MARGIN HEALTH & SCIENCE INTERESTS II TRUST	0.00
			SPN/CAS Market Value	0.00
	....E	..HERITAGE INTERESTS 1472933 (HERITAGE INTERESTS 9702082208)		
Closed	.....	...C87103005	CUSTODY HERITAGE INTEREST TRUST ACCOUNT	0.00
			SPN/CAS Market Value	0.00
	....E	..HYPERION AIR INC 7705530 (HYPERION AIR INC 0220476583)		
	.....	...000000739474332	DDA HYPERION AIR INC	54,227.96
			SPN/CAS Market Value	54,227.96
	....E	..I CORRECT COM LLC 7975864 (I CORRECT COM LLC 0220537699)		
	.....	...000000695238154	DDA I-CORRECT COM LLC	13,648.68
			SPN/CAS Market Value	13,648.68
	....E	..INSTITUTIONAL INTERESTS 1472917 (INSTITUTIONAL INTERESTS 9702082008)		
Closed	.....	...C86721005	CUSTODY INSTITUTIONAL INTEREST-HYPERION	0.00
Closed	.....	...C86812002	CUSTODY INSTITUTIONAL INTEREST - GENERAL	0.00
Closed	.....	...C88177008	CUSTODY INSTITUTIONAL INTERESTS #3	0.00
			SPN/CAS Market Value	0.00
	....E	..INTERNATIONAL CHARITABLE INTEREST II 2676362 (INTERNATIONAL CHARITABLE INTEREST II 9707162508)		
Closed	.....	...00000040021920	DDA INTL CHAR INTE II	0.00

Relationship List

Party Name: JEFFREY E EPSTEIN 1405152

Party PCN: 1405152

				Mkt Value
SPN/CAS Market Value				0.00
.....E	..J EPSTEIN FOUNDATION 1456792 (J EPSTEIN FOUNDATION 9702023708)			
.....	...000000000138912	DDA	EPSTEIN INTEREST	34,558.82
SPN/CAS Market Value				34,558.82
.....E	..JEFFREY E EPSTEIN 1405152 (JEFFREY E. EPSTEIN 9710670708)			
.....	...Q79961001	ASSET	JEFFREY EPSTEIN	56,040.45
.....	...400664956	CREDIT	JEFFREY E EPSTEIN	0.00
Closed	...C87261001	CUSTODY	JEFFREY EPSTEIN	0.00
.....	...000000739110438	DDA	EPSTEIN JEFFREY	1,181,493.49
.....	...000000739470663	DDA	EPSTEIN JEFFREY	111,312.68
Closed	...0000904112675	TIME DEPOSITS/ CDS	EPSTEIN JEFFREY E.	0.00
SPN/CAS Market Value				1,348,846.62
.....E	..JEJE INC 7705808 (JEJE INC 0220476622)			
.....	...000000739474340	DDA	JEJE INC	48,452.62
SPN/CAS Market Value				48,452.62
.....E	..LESLIE H WEXNER AS TRUSTEE OF THE WEXNER CHILDREN'S TRUST U/A 1/24/96 2111950 (LESLIE H WEXNER AS TRUSTEE OF THE WEXNER CHILDREN'S TRUST U/A 1/24/96 9704574408)			
Closed	...Q70676004	ASSET	WEXNER CHILDRENS TRUST U/A 01/24/96	0.00
SPN/CAS Market Value				0.00
.....E	..LYN & JOJO LLC 7448732 (LYN & JOJO LLC 0220410635)			
.....	...000000739413856	DDA	LYN JOJO LLC	22,726.38
SPN/CAS Market Value				22,726.38
.....E	[REDACTED] 5388082 ([REDACTED] 0123837908)			
.....	...000743007689065	DDA	[REDACTED]	8,026.46
.....	...000743007689001	SAVINGS	[REDACTED]	6,512.20
SPN/CAS Market Value				14,538.66
.....E	..NES, LLC 5063124 (NES, LLC 0107204408)			
.....	...000000739121472	DDA	NES LLC	140,310.01
SPN/CAS Market Value				140,310.01
.....E	..NEW YORK STRATEGY GROUP, LLC 5065704 (NEW YORK STRATEGY GROUP, LLC 0107272608)			
.....	...000000739123130	DDA	NEW YORK STRA GRO	75,137.68
.....	...000000739123157	MMIA	NEW YORK STRA GRO	1,360.89
SPN/CAS Market Value				76,498.57
.....E	..PALM BEACH TRUST 6705774 (PALM BEACH TRUST 9704261208)			
.....	...000000000107694	DDA	PALM BEACH TRUST	0.00
.....	...000000025113862	MMIA	PALM BEACH TRUST	0.00

Relationship List

Party Name: JEFFREY E EPSTEIN 1405152

Party PCN: 1405152

					Mkt Value
			SPN/CAS Market Value		0.00
.....E	..PLAN D INC 7961308 (PLAN D INC 0220534454)				
.....	...000000739554964	DDA	PLAN D INC		5,357.24
			SPN/CAS Market Value		5,357.24
.....E	..RANCH LAKE II INC 7597231 (RANCH LAKE II INC 0220445362)				
Purged	...000000739447483	DDA	RANCH LAKE II INC		0.00
			SPN/CAS Market Value		0.00
.....E	..RANCH LAKE III INC 7597100 (RANCH LAKE III INC 0220445315)				
Purged	...000000739447491	DDA	RANCH LAKE III INC		0.00
			SPN/CAS Market Value		0.00
.....E	..THE C O U Q FOUNDATION INC 5356814 (THE C O U Q FOUNDATION INC 0122518408)				
Closed	...Q44552000	ASSET	THE C.O.U.Q. FOUNDATION, INC.		0.00
	...000921501931565	DDA	THE C.O.U.Q.		16,926.87
			SPN/CAS Market Value		16,926.87
.....E	..THE JAMES E CAYNE TRUST NO 5 UAD 12/27/04 JEFFREY EPSTEIN TRUSTEE 7777914 (THE JAMES E CAYNE TRUST NO 5 UAD12/27/04 JEFFREY EPSTEIN TRUSTEE 0220495944)				
Purged	...000000739509071	DDA	JAMES E CAYN TRU		0.00
			SPN/CAS Market Value		0.00
.....E	..TRUST 100 1636995 (TRUST 100 9702671908)				
Closed	...000000000115009	DDA	TRUST 100		0.00
			SPN/CAS Market Value		0.00
.....E	..ZORRO TRUST 1642332 (ZORRO TRUST 9702689308)				
	...000000000119024	DDA	ZORRO TRUST		6,750.48
			SPN/CAS Market Value		6,750.48
PCN Market Value					121,571,926.94