

## **EXHIBIT 332**

**EXHIBIT****37**

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**MEMORANDUM**

**TO:** Shanell Petersen  
Managing Director  
Marketing and Vision 2040  
U.S. Virgin Islands Economic Development Authority

**FROM:** Semele A.C. George  
Marketing and PR Specialist  
U.S. Virgin Islands Economic Development Authority

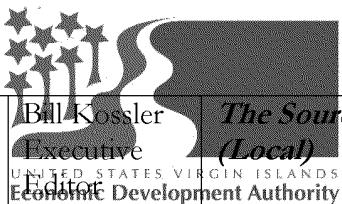
**DATE:** December 5, 2019

**SUBJECT: DRAFT Report on USVIEDA Responses to Media Inquiries about Jeffrey Epstein and his businesses under the VI Economic Development Commission Tax Incentive Program**

The following is a report on all inquiries and the USVIEDA's responses to the same, to date, in relation to Jeffrey Epstein and his EDC businesses.

Inquiries received from *The Virgin Islands Daily News*, *The Source*, *VI Consortium*, *New York Times*, *McClatchy newspapers*, *Miami Herald*, *Bloomberg News*, *NBC News* and *the Wall Street Journal*.

No.:	Name:	Publication:	Media Inquiry & Date Received:	Date of Response:	Responses or Updates: <i>*Note: All responses were vetted &amp; approved by USVIEDA senior management and USVIEDA Board Legal Counsel prior to distribution.</i>



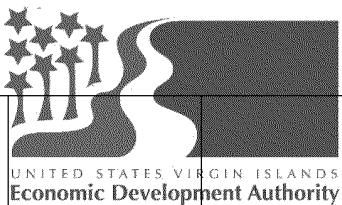
1.	<p>BIL Kossler Executive Economic Development Authority</p> <p><i>The Source (Local)</i></p> <p>UNITED STATES VIRGIN ISLANDS <a href="http://www.USVIEDA.org">www.USVIEDA.org</a></p>	<p><b>Tue 07/09/2019 @ 5:55 PM received by Semele A.C. George:</b></p> <p>“How can we get a listing of</p> <p>1. the number of employees of each EDC beneficiary;</p> <p>and of</p> <p>2. their V.I. government fees and charitable contributions? I want to see all of them.</p> <p>3. But if it's faster, I'd like to see the employment, certificate terms and charitable contributions of Southern Trust.</p> <p>Call me anytime at (340) 277-9563.”</p>	<p><b>July 10, 2019</b></p>	<p><b>Response to 7/9/2019 Inquiry on Wed, Jul 10, 2019 at 5:04 PM:</b></p> <p>Shanell Petersen, managing director, Marketing &amp; Vision 2040, wrote: “Good afternoon, Mr. Kossler: Thank you for your inquiry. Southern Trust certificate and a listing of the number of employee for each EDC beneficiary is attached.</p> <p>The VIEDC is currently working on updating the listing of charitable contributions and government fees that will be posted on our website for each Beneficiary once completed.</p> <p>If you have any additional inquiries, please do not hesitate.</p> <p>Thank you.</p> <p>In prosperity of the U.S. Virgin Islands, Shanell [Petersen]</p>
		<p><b>July 16, 2019:</b></p> <p>1. Can I also get the</p>	<p><b>July 23, 2019</b></p>	<p><b>Response to inquiry of July 16, 2019:</b></p>





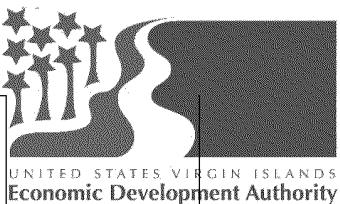
	UNITED STATES VIRGIN ISLANDS Economic Development Authority <a href="http://www.USVIEDA.org">www.USVIEDA.org</a>	2. certificate for American Yacht Harbor?  3. Can you confirm Epstein is a 50 percent owner? I appreciate the help.		Shanell Petersen, managing director, Marketing & Vision 2040, responded to Mr. Kossler o/b/o USVIEDA by forwarding the attachments:  <ul style="list-style-type: none"><li>• Certificate for American Yacht Harbor attached.</li><li>• Ms. Petersen confirmed Jeffrey Epstein does have 50% passive ownership interest in IGY-AYH St. Thomas Holdings, LLC d/b/a American Yacht Harbor.</li></ul>
2.	Suzanne Carlson  Office: 340-714-9122  Cell: 860-490-1801  Email: <a href="mailto:scarlson@dai lynews.vi">scarlson@dai lynews.vi</a>	<i>Virgin Islands Daily News</i>  <b>July 10, 2019 @ 2:18PM:</b> “Are any of Jeffrey Epstein's businesses currently receiving EDC benefits in the territory? Thanks in advance.”  <b>July 10, 2019 @ 6:57PM:</b> “Goodnight, Thank you for the response. Which companies are they and can you provide any additional information or documents detailing the companies' benefits and obligations? Thanks in	<b>July 10, 2019</b>	  <b><u>Response to inquiry of July 10, 2019 received @ 2:18pm:</u></b>  Shanell Petersen, managing director, Marketing & Vision 2040, response o/b/o of USVIEDA via email:  “There are two businesses Jeffrey Epstein has ownership interest in that are currently receiving EDC benefits.”  <b><u>Special Notation - Business Ambassador Yolanda C. Bryan updated on this inquiry - Wed 07/10/2019 6:02 PM:</u></b> “Good afternoon Mrs. Bryan, We have received two media inquiries in regards to





	<p>advance.</p> <p>www.USVIEDA.org -Suzanne”</p> <p><b><u>July 11, 2019 @ 2:16PM:</u></b></p> <p>“Good afternoon, Can you confirm these are the two companies owned by Jeffrey Epstein referenced in the prior email?</p> <p>Southern Trust Company, Inc.</p> <p>White Bay Global, Inc.</p>		<p>Jeffrey Epstein and being an active EDC Beneficiary. I recommend contacting Southern Trust and IYG (companies which he has ownership interest) to update them that we have provided public information based on the Sunshine Act.</p> <p>Informing them will allow them to prepare their PR team, as they see necessary. Thank you.</p> <p>In prosperity of the U.S. Virgin Islands, Shanell”</p> <p><b><u>Response to Ms. Carlson's inquiries of 7/10/2019 at 6:57pm &amp; July 11, 2019 @ 2:16pm by Shanell Petersen via email with attachments - thu 07/11/2019 3:46 pm:</u></b> “Good afternoon Ms. Carlson, Southern Trust Company, Inc. and IGY-AYH ST. Thomas Holdings, LLC d/b/a American Yacht Harbor are the companies Jeffrey Epstein has ownership interest. I've attached the certificates for both. Thank you for your inquiry. In prosperity of the U.S. Virgin Islands, Shanell”</p>
	<p>If so, how can I go about obtaining more information about what benefits these companies are receiving, and their obligations under their EDA agreement?</p>	<p>Response pending legal approval</p>	<p><b><u>Response to inquiry of July 16, 2019 by Kamal Latham via email/memorandum:</u></b></p> <p>“The Economic Development Commission (EDC) statute provides for review or revocation of benefits to a company pursuant to 29 V.I.C., chapter 12, sections 722 (4) and 722(5A) &amp; (B):</p> <p>§ 722. Revocation, suspension or modification of certificate (4) the beneficiary, or in the case of a corporate beneficiary, any officer</p>





Please let me know, I'm happy to come down to the office this afternoon to retrieve relevant documents, if necessary, or please feel free to send me any information you might have via this email address.

Thanks in advance.

-Suzanne”

**Reply to Ms. Petersen's response of 7/11/2019:**

“Good afternoon,  
Thanks very much for the response, I think that satisfies my editors for now but I'll let you know if we need anything else, much appreciated.”

-Suzanne

**July 15, 2019 @ 4:57PM:**

“Good afternoon,  
IGY-AYH ST. Thomas Holdings, LLC d/b/a American Yacht Harbor is not listed on the EDC website's list of current beneficiaries. Neither are Island Global Yachting or

acting in behalf of the corporation, has been convicted of a felony connected with the operation of the beneficiary's business or industry; or

(5)(A) the beneficiary, or in the case of a corporation an officer acting in behalf of the corporation, has given or offered, or caused to be given or offered, a bribe, or any money, property, or value of any kind, or any promise or agreement therefor, to a public officer, or to a person executing any of the functions of a public office, or to a person elected, appointed or designated to thereafter execute the same, with intent to influence him with respect to any act, decision, vote, opinion or other proceedings, in the exercise of the powers or functions which he has or may have pertaining in any way to the Economic Development program. In addition to the fine and/or imprisonment provided in Title 14, section 406 of the Virgin Islands Code for this offense, any benefit granted or obtained as a result of such act, decision, vote, opinion or other proceeding shall be void as to the briber and/or recoverable from the briber as the circumstances of the particular case may dictate.

(B) The Commission may also suspend or modify the certificate of a beneficiary, or in the case of a corporate beneficiary, any officer or member acting on behalf of the corporation or in the case of a partnership any partner acting on behalf of the partnership, that is the subject of federal or local law enforcement charges or investigations connected with the operation of the beneficiary business. Such suspension must be reviewed by the Commission after resolution of any investigation or charges.

Due to recent news of the passing of Jeffrey Epstein, there is no action to be taken on Jeffrey Epstein by VIEDC.





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Yacht Haven USA.

Is there a reason why the companies are not on the list, and are there any other current EDC beneficiaries that are not included on the website?

When was that list last updated?

Thanks in advance.”

-Suzanne

**July 16, 2019:**

“In reviewing the EDC certificates for Jeffrey Epstein's companies, Southern Trust Company Inc. and IGY-AYH St. Thomas Holdings, it's apparent that there are provisions in both requiring beneficiaries to comply with local and





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federal laws.

For Southern Trust Company, clause III(4) says that “beneficiary shall particularly comply, and continue to comply with federal and local laws, which establish standards of ecological and environmental compatibility, with rules and regulations of the Director of the Virgin Islands Bureau of Internal

Revenue, and with the rules and regulations of the Economic Development Program.”

Clause III(14) of the AYH EDC certificate is even more explicit, and says that “Beneficiary shall comply with all applicable provisions of title 29, chapter 12 of the Virgin Islands Code, the rules and regulations issued pursuant thereto, and all





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other applicable local and federal laws and regulations, including but not limited to those dealing with non-discrimination and veterans' employment rights. Beneficiary shall also comply with all federal and local laws including but not limited to laws which establish standards of ecological and environmental compatibility; with rules and regulations of the Virgin Islands Bureau of Internal Revenue, including the filing and

payment of all applicable taxes owed and due, and with VIEDC rules and regulations.”

**Questions:**

1. If Epstein is convicted of the federal charges currently pending,





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2. would that violate these provisions of his EDC certificates and cause the companies to lose beneficiary status?
3. In addition, what effect, if any, did his 2008 conviction have on the EDC's decision to grant beneficiary status to Southern Trust Company and IGY-AYH?
4. Does an EDC company owner's criminal history have any bearing on their ability to obtain tax benefits?

I'd like to speak directly with someone from the EDC about this by phone, if possible, please give me a call at 860-490-1801.

Thanks in advance.

**August 15, 2019:**





3.	James Gardner Reporter	<i>The Source (LOCAL)</i>	<p><b>Friday, July 12, 2019, James Gardner wrote: *(Beginning part of Mr. Gardner's email was an inquiry about an EDA Board Meeting on July 11, 2019)</b></p> <p>“...Separately, I did read the Daily News</p> <p>story on Mr. Epstein, and I was hoping that I could also get a copy of Southern Trust's EDA certificate. How can I verify the 50% ownership of American Yacht Harbor - would that be through you?</p>	Pending	<p><b><u>Update as of Tuesday, August 20, 2019 2:51 pm to inquiry of 8/19/2019 – Reply from Tracy L. Bhola, Esq.:</u></b></p> <p>“Good day, Ms. Petersen: 1) VIEDA may provide the list of charitable contributions made by Southern Trust Co., Inc. over the last five (5) years, and the listing may include the entities to which contributions were made and the amount of said contributions.</p> <p>This request may be following up on current assertions that contributions were made to certain entities, but those entities now allege that they have no evidence of having received such monies.</p> <p>2) In response to the second inquiry, I recommend that you avoid such inflexible language and instead state:</p> <p>“There is no action to be taken at this time.”</p> <p>With regard to this second inquiry, attached for your general information (highlighted notes have been inserted) are provisions which may ultimately lead to action by VIEDC regarding this entity.</p> <p>Best regards,</p> <p>Tracy” Tracy Lynch Bhola, Esq.</p>

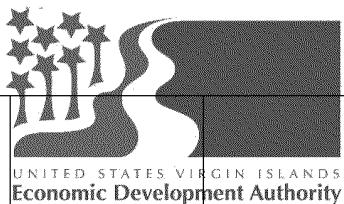




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	<p>Thanks for your help.</p> <p>James Gardner Reporter, V.I. Source</p> <p><b><u>Monday, August 19, 2019 5:54 PM:</u></b></p> <p>“Good afternoon, Ms. Petersen,</p> <p>Would you be able to send me the list of charitable contributions made by Mr. Epstein for the last five years?</p> <p>We’re still working on a story and that would be helpful.</p> <p>I would also like to know in terms of the EDC, do you take any action with regards to his businesses or benefits now that he is deceased?</p>		<p>General Counsel</p> <p><b><u>Update as of August 21, 2019 in re to August 19, 2019 inquiry:</u></b></p> <p>“Good morning Ms. Penn, We are in need of the charitable contributions made by Southern Trust Co. over the last five years and the names of the entities who received charitable contributions.</p> <p>Thank you. - Shanell Petersen”</p>
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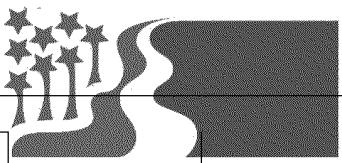
			Thank you, James"		
4.	Robert Moore	<b><i>VI Consortium (Local)</i></b>	<b>July 12, 2019</b> <b>@ 12:59PM:</b> "I am Robert Moore with the <i>VI Consortium</i> publication.  1. Per your telephone instructions, I am sending to you this written request for a copy of or access to the Economic Development office's "certificates" or other documentation that  confirms <b>Southern Trust Company</b> is or was previously Economic Development Commission (EDC) tax incentive program beneficiary.		





5.	Jonathan Levin Miami Bureau  Chief, Bloomberg News  Email: <a href="mailto:JLevin20@bloomberg.net">JLevin20@bloomberg.net</a>	<b>Bloomberg News (NATIONA L)</b>	<p><b><u>Wednesday, July 17, 2019 3:36 PM:</u></b></p> <p>“Hi Shanell, I'm a reporter for <i>Bloomberg News</i>.</p> <p>“I'm seeking any available documentation on EDC active beneficiary Southern Trust Company, Inc.</p> <p>I assume your beneficiaries are required</p>	July 22, 2019	<p><b>Responses to July 17 &amp; 18, 2019 inquiries:</b></p> <ol style="list-style-type: none"><li><b>USVIEDA CEO Kamal I. Latham Memorandum dated July 22, 2019:</b> “VIEDC internal Compliance Reviews are confidential and not available for public distribution. However, we can share the findings of the Compliance Review. The last compliance review completed on November 15, 2018 or the period February 1, 2013 through December 31, 2017, Southern Trust Company, LLC was found to be in compliance with all statutory and special conditions of its VIEDC Certificate for tax incentive benefits.”</li><li><b>Supporting docs. attached:</b> Certificates for Southern Trust Company, Inc. and IGY AYH St. Thomas Holdings, LLC dba American Yacht Harbor to answer the request for documentation on EDC active beneficiary Southern Trust Company, Inc.</li></ol>





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347-463-3162

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**Mon 07/22/2019 11:19  
AM:**

“... Separately, I'd like to request any available documentation on EDC active beneficiary IGY-AYH St. Thomas Holdings, LLC, including the certificate and anything else you can provide, such as audits of compliance with the program.

Thank you in advance,  
Jonathan Levin”

Response pending  
legal approval

**Response by Shanell Petersen via email to follow-up from J. Levin of August 19, 2019:**

Good afternoon Jonathan, CEO Latham is available next week Tuesday, August 27th from 1:30pm-3:00pm. Are you available? Thank you. - Shanell Petersen, Managing Director, Marketing & 2040 Vision

**Response of Jonathan Levin:**

Perfect, I look forward to it.

**Mon 07/22/2019 11:43  
AM:**

“Thank you very much for the response, Shanell.

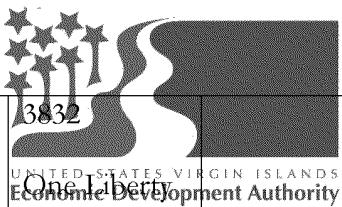
A follow-up question: Southern Trust is described as "providing extensive DNA database & data mining." Can VIEDA tell us more about what this company does beyond this description?





	<p>1- Does this company go by an alternative brand name? (It appears to have almost no web footprint aside from recent news articles.)</p> <p>2- What is the nature of the DNA database? What is it used for?</p> <p>3- Who are its customers?</p> <p>Thank you in advance, Jonathan Levin, Bloomberg”</p> <p><b><u>Monday, August 19, 2019 10:14 AM:</u></b></p> <p>“Hi Shanell - Just wanted to check what time you anticipated for the interview. Kind Regards, Jonathan”</p>		
6. John Cook Investigation s Editor  C: 773-919-	<i>Business Insider</i>  <b>Mon 07/22/2019 3:45 PM:</b>  <b>EMAIL:</b> “Ms. Petersen:	Response pending approval (????)	<b>UPDATE:</b> Pending response from reporter. Sent email on 8/21/2019 to following up info. Never reached back to us. Reporter requested. SP Gave reporter a call.  S. Petersen prepared





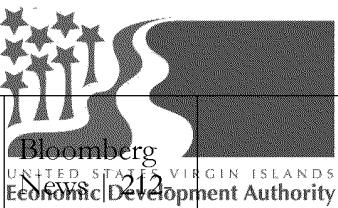
<p>3832</p> <p>UNITED STATES VIRGIN ISLANDS <a href="http://www.USVIEDA.org">www.USVIEDA.org</a></p> <p>Economic Development Authority</p> <p>Plaza, 8th</p> <p>FL, New</p> <p>York, NY</p> <p>10006</p> <p>Email: <a href="mailto:jjcook@businessinsider.com">jjcook@businessinsider.com</a></p>	<p>My name is John Cook, and I am a reporter for Business Insider, a news web site based in New York City. I'm writing because I'd like to request records concerning a beneficiary under the Economic Development Commission. The entity I seek records of is Southern Trust Company Inc."</p> <p>"According to the EDA's 2012 annual report, Southern Trust applied</p> <p>for benefits under Category IIA in 2012. A decision meeting was held on January 23, 2013, and the petition was approved. Southern Trust was issued a certificate of benefits in 2014, and subsequently filed an extension on capital investment petition, which was approved at or after a decision meeting on January 24, 2014.</p>	
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		<p>I'd like to get copies of any petitions filed by Southern Trust Company, and certificates of benefits issued to it, any transcripts of proceedings or meetings concerning its petitions, and any compliance reviews, records of site visits, and any correspondence concerning Southern Trust.</p> <p>Please advise as to the fastest way for me to obtain the above-mentioned records.</p> <p>Thanks,</p> <p>John"</p>		
7.	Anders Melin Executive Compensation & Search	<p><b>Bloomberg News</b></p> <p><u>Friday, July 19, 2019 8:58</u></p> <p><u>AM:</u></p> <p><u>EMAIL:</u></p> <p>"Attached is my FOIA</p>	Response pending	N/A until response is distributed to media reps.





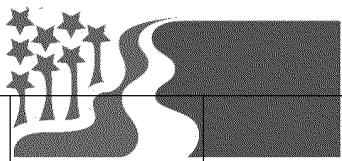
<p>request. Please confirm receipt.</p> <p>And here's the question I asked yesterday, that you asked me to include in this email:</p> <ul style="list-style-type: none"> <li>• Can you provide a list of, or examples of, additional documentation that's required to be filed on an ongoing basis by businesses that fall under the Economic Development Commission Tax</li> </ul> <p>Incentive Program?</p> <p>Thanks in advance for your help.</p> <p>Anders Executive Compensation &amp; Search   Bloomberg News   212-617-3047   Cell: 573-999-4208"</p> <p><b><u>FOIA Letter attached:</u></b> Pursuant to the Freedom of Information Act, 5</p>		
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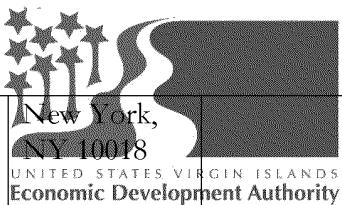
	<p>U.S.C. Section 552 et seq. ("FOIA"), I request access to and copies of the following records:</p> <ul style="list-style-type: none"><li>• EDA Benefits Application, including any attachments, for Southern Trust Company, Inc. (EIN 66-0779861; Date of Incorporation: 11/18/2011)</li><li>• EDA Benefits Application, including any attachments, for Laurel, Inc. (EIN 66-0776877; Date of Incorporation: 11/22/2011)</li><li>• EDA Benefits Application, including any attachments, for Financial Trust Company, which was formed in or around 1996.</li></ul> <p>I further request that any records be provided to me on computer files or, if not maintained on computer files, in the same format as they are</p>	
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		currently maintained.																																						
8.	Matthew Goldstein Reporter  E: <a href="mailto:matthew.goldstein@nytimes.com">matthew.goldstein@nytimes.com</a>  Tel. Nos.: (w) 212-556-1665 (c) 347-843-9938  Al-Amyn Sumar Legal Department The New York Times Company 620 Eighth Avenue	<p>UNITED STATES VIRGIN ISLANDS <a href="http://www.USVIEDA.org">www.USVIEDA.org</a></p> <p><b>Thursday, July 11, 2019</b></p> <p><b>3:30 PM:</b></p> <p>"Shanell Hi. Nice speaking to you. for this story I am working on:</p> <p>I would like to get some information with regards to EDC credits for two companies that Jeffrey Epstein was and is associated with-- Financial Trust Company and Southern Trust Company,  both of which are located at the same Red Hook Quarter address in St. John.</p> <p>Can you tell me when each company began to qualify for EDC credits and the period of years the companies have qualified</p> <p>Can you also tell me the total dollar value of the</p>	July 22, 2019	<p><b>Mon 07/22/2019 11:38 am - Response from USVIEDA CEO Kamal Latham to inquiry of July 11, 2019 @ 3:30pm:</b></p> <p>Financial Trust Company, Inc. ("Financial Trust") initially applied for the VI Economic Development Commission's ("VIEDC") tax incentives on December 18, 1998, and was approved on November 26, 1999. The initial Certificate of Tax Incentives ("Certificate") was granted for a ten (10) year period that commenced and terminated as follows:</p> <table><thead><tr><th>VIEDC INCENTI VES</th><th>PERCENTA GE</th><th>COMMENCEME NT</th><th>TERMINATI ON</th></tr></thead><tbody><tr><td>Income Taxes</td><td>90%</td><td>April 1, 1999</td><td>March 31, 2009</td></tr><tr><td>Gross Receipt Taxes</td><td>100%</td><td>April 1, 1999</td><td>March, 31, 2009</td></tr><tr><td>Excise Taxes</td><td>100%</td><td>January 1, 2000</td><td>December 31, 2009</td></tr><tr><td>Excise Taxes (Raw Materials)</td><td>100%</td><td>January 1, 2000</td><td>December 31, 2009</td></tr><tr><td>Dividend Withholdings</td><td></td><td>April 1, 1999</td><td>March 31, 2009</td></tr><tr><td>Interest Withholdings</td><td></td><td>April 1, 1999</td><td>March 31, 2009</td></tr><tr><td>Real Property Tax</td><td>100%</td><td>January 1, 2000</td><td>December 31, 2009</td></tr><tr><td>Customs Duties</td><td>1%</td><td>N/A</td><td>N/A</td></tr></tbody></table>	VIEDC INCENTI VES	PERCENTA GE	COMMENCEME NT	TERMINATI ON	Income Taxes	90%	April 1, 1999	March 31, 2009	Gross Receipt Taxes	100%	April 1, 1999	March, 31, 2009	Excise Taxes	100%	January 1, 2000	December 31, 2009	Excise Taxes (Raw Materials)	100%	January 1, 2000	December 31, 2009	Dividend Withholdings		April 1, 1999	March 31, 2009	Interest Withholdings		April 1, 1999	March 31, 2009	Real Property Tax	100%	January 1, 2000	December 31, 2009	Customs Duties	1%	N/A	N/A
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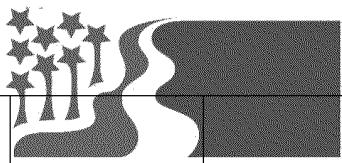
<p>New York, NY 10018</p> <p>UNITED STATES VIRGIN ISLANDS Economic Development Authority</p> <p>Phone: 212-556-2638</p> <p>Cell: 646-306-4201</p> <p>Email: <u>al-</u> <u>amyn.sumar</u> <u>@nytimes.co</u> <u>m</u></p>	<p>credits given to each company?</p> <p>I am making this request under FOIA and any relevant freedom of information law in the Virgin Islands.</p> <p>If you have any questions please do not hesitate to call me</p> <p>thanks</p> <p>matt</p> <p><b>Fri 07/19/2019 11:13 AM:</b></p> <p>Attorney Sumar inquired “about the status of his request and get clarity about when he (Matt Goldstein) might receive the information sought.”</p>		
			Financial Trust applied for an extension of tax incentives on January 28, 2009, and was approved on February 13, 2010 for a 5-year extension of





UNITED STATES VIRGIN ISLANDS Economic Development Authority <a href="http://www.USVIEDA.org">www.USVIEDA.org</a>			<p>the tax incentives. The extension Certificate period of incentives commenced and terminated as followed:</p> <table><thead><tr><th>VIEDC TAX INCENTIVES</th><th>PERCENT AGE</th><th>COMMENCE MENT</th><th>TERMINATION</th></tr></thead><tbody><tr><td>Income Taxes</td><td>81%</td><td>April 1, 2009</td><td>March 31, 2014</td></tr><tr><td>Gross Receipt Taxes</td><td>90%</td><td>April 1, 2009</td><td>March 31, 2014</td></tr><tr><td>Excise Taxes (Raw Materials)</td><td>90%</td><td>N/A</td><td>N/A</td></tr><tr><td>Excise Taxes (Equip., Mach.)</td><td>90%</td><td>January 1, 2010</td><td>December 31, 2014</td></tr><tr><td>Dividend Withholdings</td><td></td><td>April 1, 2009</td><td>March 31, 2014</td></tr><tr><td>Interest Withholdings</td><td></td><td>April 1, 2009</td><td>March 31, 2014</td></tr><tr><td>Real Property Tax</td><td>90%</td><td>N/A</td><td>N/A</td></tr><tr><td>Customs Duties</td><td>1%</td><td>N/A</td><td>N/A</td></tr></tbody></table> <p>*Financial Trust Company, Inc. requested an early termination of its extension Certificate, and was granted a termination of its Certificate of Tax Incentives effective March 23, 2013.</p>	VIEDC TAX INCENTIVES	PERCENT AGE	COMMENCE MENT	TERMINATION	Income Taxes	81%	April 1, 2009	March 31, 2014	Gross Receipt Taxes	90%	April 1, 2009	March 31, 2014	Excise Taxes (Raw Materials)	90%	N/A	N/A	Excise Taxes (Equip., Mach.)	90%	January 1, 2010	December 31, 2014	Dividend Withholdings		April 1, 2009	March 31, 2014	Interest Withholdings		April 1, 2009	March 31, 2014	Real Property Tax	90%	N/A	N/A	Customs Duties	1%	N/A	N/A
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			<p>Southern Trust Company, Inc. (“Southern Trust”) applied for the VIEDC’s tax incentives on September 21, 2012, and was approved on May 31, 2013. The Certificate was granted for a ten (10) year period commencing and terminating as follows:</p> <table><thead><tr><th>VIEDC TAX INCENTIVES</th><th>PERCENT AGE</th><th>COMMENCE MENT</th><th>TERMINATION</th></tr></thead><tbody><tr><td>Income Taxes</td><td>90%</td><td>February 1, 2013</td><td>January 31, 2023</td></tr><tr><td>Gross Receipt Taxes</td><td>100%</td><td>February 1, 2013</td><td>January 31, 2023</td></tr><tr><td>Excise Taxes (Raw Materials)</td><td>100%</td><td>N/A</td><td>N/A</td></tr><tr><td>Excise Taxes (Equip., Mach.)</td><td>100%</td><td>February 1, 2013</td><td>January 31, 2023</td></tr><tr><td>Dividend Withholdings</td><td></td><td>February 1, 2013</td><td>January 31, 2023</td></tr></tbody></table>	VIEDC TAX INCENTIVES	PERCENT AGE	COMMENCE MENT	TERMINATION	Income Taxes	90%	February 1, 2013	January 31, 2023	Gross Receipt Taxes	100%	February 1, 2013	January 31, 2023	Excise Taxes (Raw Materials)	100%	N/A	N/A	Excise Taxes (Equip., Mach.)	100%	February 1, 2013	January 31, 2023	Dividend Withholdings		February 1, 2013	January 31, 2023												
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	UNITED STATES VIRGIN ISLANDS Economic Development Authority	www.USVIEDA.org		Interest Withholdings
				Real Property Tax      100%      N/A      N/A Customs Duties      1%      N/A      N/A
		3. Can you also tell me the total dollar value of the credits given to each company?	July 22, 2019	<b>Response: K. Latham memo to question no. 3:</b> "VIEDC offers tax reductions and exemptions as indicated above. Corporate and individual income tax filings are confidential filings with the Virgin Islands Bureau of Internal Revenue."
		<u><b>Additional Inquiry as of August 5, 2019 from Mr. Goldstein:</b></u>  I know in order to qualify for the EDC program, a company based in the Virgin Islands must maintain at least 10 employees working full-time in one of the islands.  I believe Financial Trust and Southern Trust had 10 employees, would you be able to provide		<b>Response from Wayne L. Biggs, Jr., on Friday, August 16, 2019 11:48 AM</b> "Good morning, I do not believe we should share the Southern Trust's employee listing. They can request directly from them. Respectfully, Wayne"  <b>USVIEDA Response to November 7, 2019 Request:</b> Good morning, Attached is the March 7, 2012 requested letter. Thank you. -Shanell Petersen





			me a list of the names of the employees of the companies?  <b>November 11, 2019:</b>		
9.	Rich Schapiro  If you need to reach me by phone, my number is: 917-359-2913.	NBC News	<b>Thu 07/25/2019 4:26 PM:</b> "I'm interested in obtaining the documents referenced in this Virgin Islands Daily News article -- specifically, the EDC certificates for American Yacht Harbor and Southern Trust Company.  <a href="http://www.virginislandsdailynews.com/news/jeffrey-epstein-owns-half-of-american-yacht-harbor/article_d3de7aad-7e2f-5d50-b205-d2acf159737a.html">http://www.virginislandsdailynews.com/news/jeffrey-epstein-owns-half-of-american-yacht-harbor/article_d3de7aad-7e2f-5d50-b205-d2acf159737a.html</a>  I'm also interested in any other documentation you might have that's associated with Mr. Epstein. I'm working on		<p><b>Reply to Rich Schapiro on Thurs. 07/25/2019 4:39 pm:</b> "Dear Mr. Schapiro: Thank you for your call and inquiry below. To receive your complete inquiry, please advise which "other documentation" associated with Mr. Epstein are you referring to. Thank you. Regards, Semele A.C. George"</p> <p><b>Response to Mr. Schapiro's request of 7/25/2019:</b> Following list of documents were sent to Mr. Schapiro as attachments to USVIEDA email from Shanell Petersen:</p> <ol style="list-style-type: none"><li>1. Certificate of Benefits for IGY-AYG Holdings, LLC dba as American Yacht Harbor</li><li>2. Certificate of Benefits for Southern Trust</li><li>3. Memo response from USVIEDA dated August 2, 2019 reciting list of certificates attached.</li></ol>





<p>UNITED STATES VIRGIN ISLANDS Economic Development Authority <a href="http://www.USVIEDA.org">www.USVIEDA.org</a></p>	<p>an in-depth story about his business interests in the Virgin Islands.</p> <p>If you could get this information to me by tomorrow afternoon, I'd</p> <p>greatly appreciate it.</p> <p>Thank you very much."</p> <p><b><u>Schapiro response to Semele George on Thu 07/25/2019 4:39 PM:</u></b></p> <p>"Good question, Ms. George. I was just trying to be thorough. I'm interested in any documents related to Epstein's businesses but since I'm unfamiliar with your agency and the processes on this island, I wasn't sure what exactly to ask for. Please feel free to break these requests into two, and to first provide the documents referenced in the article I</p>	
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	<p>sent. We can perhaps discuss anything additional afterward.</p> <p>Please let me know if that makes sense to you, and thank you again.</p> <p>Best, Rich”</p> <p><b><u>Fri 08/02/2019 11:03</u></b></p> <p><b><u>AM:</u></b></p> <p>“Shanell, Very nice chatting with you a moment ago. I look forward to receiving those EDC certificates.</p> <p><b><i>A few other requests/inquiries:</i></b></p> <ol style="list-style-type: none"><li>1. Please provide copies of all the applications for economic development benefits submitted by Southern Trust Company and IGY-AYH St. Thomas Holdings LLC.</li><li>2. Now that Jeffrey Epstein has been hit with</li></ol>	
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<p>UNITED STATES VIRGIN ISLANDS Economic Development Authority <a href="http://www.USVIEDA.org">www.USVIEDA.org</a></p>	<p>new federal sex crimes charges, will the EDC revoke, suspend or modify any of these certificates?</p> <p>3. Why was Epstein's company granted any EDC certificates after he pleaded guilty to federal sex crime charges in the U.S.? Are convicted murderers also eligible to receive them?</p> <p>That is all, Shanell. Thank you in advance for what I hope will be a prompt response. If you'd like to talk anything over, I can be reached by phone at: 917-359-2913.</p> <p>Best, Rich"</p> <p><b><u>Additional Inquiry received on Fri</u></b></p>	
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		<p><b>08/02/2019 12:00 PM:</b> Shanell, www.USVIEDA.org</p> <p>Thank you very much. One correction to my questions:</p> <p>1. Why was Epstein's company granted any EDC certificates after he pleaded guilty to <b>felony</b> <b>state</b> sex crime charges in the U.S.?</p> <p>2. Can you please let me know when you expect to be able to provide the requested documents and answers?</p> <p>Thanks again, Rich”</p>		
10.	Aaron Brezel <a href="mailto:abrezel@miamiherald.com">abrezel@miamiherald.com</a>	<p><b><i>Miami Herald (NATIONALLY)</i></b></p> <p><b><u>July 30, 2019 - EMAIL</u></b> <b><u>FROM JOY PENN, EDC Compliance Officer:</u></b></p> <p>“Good Morning Mr. Latham,</p>	Pending response	<p><b><u>Update as of August 1, 2019 email:</u></b></p> <p><b>@5:46PM:</b> S. Petersen forwarded proposed response sent to senior management and a recommendation that a charging \$25-\$50 for each list considering the time being spent on providing this information.</p>





	<p>I just received a call from Mr. Aaron Brezel from the Miami Herald requesting past listings of companies that have been recipients on the VIEDC tax incentive program.</p> <p>I requested Mr. Brezel to send his request in writing to you. I've provided him your email address. He also inquired of the time frame to process the request; I informed him that once his request is received it will be addressed appropriately.</p> <p>Mr. Brezel's email address is <a href="mailto:abrezel@miamiherlad.com">abrezel@miamiherlad.com</a></p> <p>Regards,</p> <p><b>Joy Penn</b> <i>Senior Compliance Officer</i> Email: <a href="mailto:jpenn@usvieda.org">jpenn@usvieda.org</a></p>		<p><b>@5:53PM:</b> Margarita A. Benjamin, Managing Director, Economic Development, provided Shanell Petersen, Managing Director, Marketing and 2040 Vision, VIEDC listings from 1998 to 2013. Requested of Ms. Petersen to retrieve 2014 from Joy Penn, Compliance Officer</p> <p><b>@5:57PM:</b> Shanell Petersen agreed to follow up with Ms. Penn for 2014 to present listing as per request by Mrs. Benjamin.</p> <p>Awaiting Ms. Penn's response.</p>
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11.	<p>Khadeeja Safdar Reporter</p> <p><b>EMAIL:</b> <a href="mailto:khadeeja.safdar@wsj.com">khadeeja.safdar@wsj.com</a></p> <p>office: (212) 416-3488 cell: (718) 404-4736</p>	<p><b>The Wall Street Journal (NATIONA L)</b></p>	<p><b><u>Wednesday, August 14, 2019 8:28 PM:</u></b></p> <p>"Hi Mr. Latham, Thanks for the call. It was great chatting with you. We appreciate your help. As discussed, I'd like to request the tax certificates and any documents related to Jeffrey Epstein's companies. We'd be grateful if your office could send those over to us. I will try some of the other officials you recommended, and my colleague is looking forward to meeting you on Friday. If you have any other ideas for people we should connect with, please let me know.</p>	<p><b>RESPONSE OF USVIEDA CEO KAMAL LATHAM TO REPORTER SAFDAR:</b> "Hello Ms. Safdar, Nice speaking with you as well. I am copying my colleague Shanell Petersen who is our Managing Director for Marketing and Vision 2040. She can facilitate providing the tax certificates. Please feel free to send us a list of questions. We appreciate your interest in providing accurate reporting.  We look forward to sharing our story about encouraging investment into the U.S. Virgin Islands through our tax incentive program. Awareness about the Territory and transparency about our system is important  The interview with Rebecca O'Brien is confirmed for 12 noon this Friday 8/16. The office address is 8000 Nisky Shopping Center, Suite 620, St. Thomas, USVI 00802. Thank you. Kind regards, Kamal</p> <p><b>Response to August 14, 2019 inquiry – via email from Shanell Petersen @ Thurs. 08/15/2019 4:05 pm:</b> "Good afternoon, Please find the VIEDC certificates for Southern Trust and IGY-AYH St. Thomas Holdings, LLC dba American Yacht Harbor attached.  Thank you. - Shanell Petersen, Managing Director, Marketing &amp; 2040 Vision</p> <p><b>MEDIA RESPONSE TO INQUIRY ON 9/16/2019:</b> Good day Ms. Safdar,  Please find VIEDA response attached and the following attachments: a. Financial Trust (Compliance Report) – 1999-2006 b. Financial Trust (Compliance Report) – 2007-2008 c. Financial Trust (Compliance Report) – 2009-03/2013 d. Southern Trust (Compliance Report) – February 1, 2013 to Dec. 31,</p>





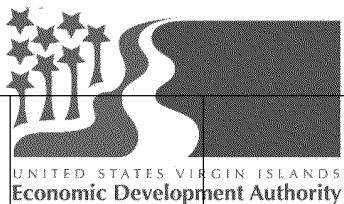
12.  <b>Rebecca O'Brien,</b> Reporter  <i>Wall Street Journal</i>  <u>EMAIL ADDRESS:</u> <a href="mailto:rebecca.obrien@wsj.com">rebecca.obrien@wsj.com</a> :	<p>Many thanks, Khadeeja”</p> <p><b><u>Thursday, August 15, 2019 6:28 PM – Questions from Rebecca O'Brien for USVIEDA to prepare for interview –</u></b></p> <p>“Hi All,</p> <p>Here are the main questions we have for Kamal tomorrow – we are above all trying to get a sense of how these tax benefits worked, and what Jeffrey Epstein's business on the island was like.</p> <p>1. What are the requirements for getting the USVIEDA benefits?</p>		<p>2017 e. Charitable Contributions for Southern Trust</p> <p>Thank you.</p> <p>In prosperity of the U.S. Virgin Islands, Shanell, Shanell Petersen</p>
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<p>UNITED STATES VIRGIN ISLANDS Economic Development Authority <a href="http://www.USVIEDA.org">www.USVIEDA.org</a></p>	<p>2. Did Mr. Epstein's businesses meet the requirements?</p> <p>3. How rigorous is the process? What does it entail?</p> <p>4. Did anyone check to see if Mr. Epstein's businesses were employing the number of people required?</p> <p>5. Can we learn more about his charity donations (since they are reportedly a requirement for the tax breaks)?</p> <p>I think that's it for now. I will keep you in the loop if I have any others.</p> <p>Thanks again for making these arrangements.</p>	
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	UNITED STATES VIRGIN ISLANDS Economic Development Authority	Best, Rebecca <a href="http://www.USVIEDA.org">www.USVIEDA.org</a>		
13.	Steve Eder (reporter in partnership with Matthew Goldstein)	<i>New York Times</i>	<p><b><u>Monday, August 26, 2019 8:15 AM:</u></b></p> <p>Good morning, Shanell -- Separately from the questions I just sent over, I wanted to let you know that, based on the certificates, there appear to be multiple public hearings for Financial Trust. I thought this might be useful for the search for the transcripts. - Original public hearing (Date: April 23, 1999)  - Modification public hearing date (Date: February 12, 2009).</p> <p>Please let me know where</p>	<p><b><u>Response from Shanell Petersen to Steve Eder:</u></b></p> <p>Good afternoon, Mr. Eder: Please find the certificates for Financial Trust, Southern Trust Company, and IGY-AYH St. Thomas Holdings, LLC</p> <p>attached. In addition the Public Hearing Transcript for Southern Trust Company on November 15, 2012, is included.</p> <p>Once compiled, we will share the following public hearing transcripts:</p> <ul style="list-style-type: none"><li>- IGY-AYH St. Thomas Holdings</li><li>- Financial Trust</li></ul> <p>Thank you.</p> <p>In prosperity of the U.S. Virgin Islands,</p> <p>Shanell Petersen Managing Director, Marketing &amp; 2040 Vision”</p> <p>—</p>





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things stand with providing these transcripts, as well as the ones for IGY-AYH. We'd like to include these transcripts in today's article.

If they are not available today, we will include them in a future article once they are ready.

Thank you,

Steve

**Inquiry from Steve Eder:**

Good morning - We are preparing an article relating to Jeffrey Epstein and his U.S.V.I. activities, including charitable donations made in conjunction with his firms' status as a VIEDA beneficiary.

We are seeking answers to the following questions by





<p>UNITED STATES VIRGIN ISLANDS Economic Development Authority <a href="http://www.USVIEDA.org">www.USVIEDA.org</a></p>	<p>10 a.m. Friday, Nov. 15:</p> <p>1. Have any federal prosecutors or agents reached out to VIEDA re: Mr. Epstein? if so, when? What were they seeking?</p> <p>2. Has there been any change in Southern Trust's status as a VIEDA beneficiary? Is VIEDA considering any changes?</p> <p>3. Over the years, VIEDA documented in compliance reports more than a million dollars of charitable donations from the J. Epstein Virgin Islands Foundation. Did VIEDA verify the foundation's status as a tax exempt 501(c)(3) tax-exempt organization with the IRS?</p> <p>4. Some of the donations appear to have been directed to support political causes, or charitable endeavors of</p>	
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			USVI politicians. Was that permissible under VIEDA rules?  Many thanks, Steve Eder and Matt Goldstein		
14.	Halley Freger Reporter	ABC News	For the entities <b>Financial Trust Company</b> and <b>Southern Trust Company</b> , I'd like to request a copy of all: <ul style="list-style-type: none"><li>• EDC Compliance Reviews and Reports</li><li>• Petitions to the EDC Board</li></ul>	September 18, 2019	<p><b>Reply from Attorney Bhola for response to reporter Halley Freger:</b></p> <p><b>PRIVILEGED</b></p>





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Economic Development Authority [www.USVIEDA.org](http://www.USVIEDA.org)

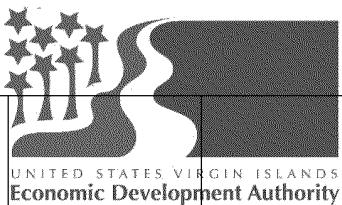
**PRIVILEGED**

Best regards,

Tracy

15.	Kevin Hall Investigator	McClatchy Newspapers	<b>Inquiry Received</b> @	We understand he	
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	<p>resigned today in the executive session that was closed off to the public and media. We'd like to confirm his resignation and want to know what</p> <p>publicly your agency is saying about it. Does his resignation or the closed-doors session in any way tie to Jeffrey Epstein's estate, the lawsuit from the New York Times, the purchase/development of Great St. James or in any way touch on Epstein/Southern Trust or those around him?</p> <p>Thanks, Kevin</p> <p>-- Kevin G. Hall</p>		





The parties involved regarding responses to the media inquiries were

1. Henry C. Smock, Esq., USVIEDA Board Counsel;
2. Tracy L. Bhola, Esq., General Counsel;
3. Wayne L. Biggs, Jr., Assistant Chief Executive Officer;
4. Margarita A. Benjamin, Managing Director, Economic Development;
5. Shanell Petersen, Managing Director, Marketing and 2040 Vision;
6. Semele A.C. George, Marketing and PR Specialist;
7. Joy Penn, VIEDC Senior Compliance Officer; and
8. Sandra Bess, VIEDC Compliance Officer.

Fifty-five (55) total inquiries were received from the following: eight (8) publications, one television station and fourteen (13) reporters and investigative journalists.

In addition, three (3) interviews were conducted for the *New York Times* by Steve Eder on behalf of Matthew Goldstein, *Wall Street Journal* by Rebecca O'Brien, and *Bloomberg News (Miami)* by Jonathan Levine.

The following is the Media Response clearance protocol that was followed throughout the media response process:

**Step 1. Media Inquiry Recipients:** USVIEDA Managing Director, Marketing and 2040 Vision Shanell Petersen or Marketing and PR Specialist Semele A. C. George or in accordance with USVIEDA Media Policy





Step 2: Media Response Drafts/Letter Templates prepared by: Marketing and PR Specialist Semele A. C. George or Managing Director, Marketing and 2040 Vision Shanell Petersen

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Step 3: Review, collaboration, compilation and inclusion of public information into USVIEDA Response Letter by internal Subject Matter Experts (SMEs) involved, and USVIEDA communications personnel, based on the topic: Attorneys Smock and Bhola, Chairman Rodriquez, Mr. Biggs, Mrs. Benjamin, Ms. Penn, Mrs. Petersen and Ms. George.

Step 4: Clearance of Draft Response: USVIEDA Managing Director, Marketing and 2040 Vision Shanell Petersen

Step 5. Clearance of Draft Response: USVIEDA ACEO/COO Wayne L. Biggs, Jr.

Step 6. Clearance of Draft Response: USVIEDA Board Counsel Attorney Henry C. Smock or Attorney Bhola

Step 7. Final Clearance of Response: USVIEDA CEO Kamal I. Latham

Step 8: Media Response Transmission to the USVIEDA Governing Board.

Step 9: USVIEDA Response to Media Inquiries: Transmitted to Media Representatives; consideration may be made in the future for a request for a copy of the published article for the USVIEDA's records.

