

From: Jeffrey Epstein <jeevacation@gmail.com>
To: Rich Kahn <[REDACTED]>
Subject: Re: Coinbase
Date: Tue, 30 Jan 2018 00:14:14 +0000

212 772 9416

On Jan 29, 2018, at 7:12 PM, Richard Kahn <[REDACTED]> wrote:

i just spoke with Brad and after some back and forth they offered to buy 50% our investment based on a \$4 billion valuation however Brad did not give me a number which that equated to..

we need to clarify if our investment was originally based on Coinbase at \$400mm as i have always been told or \$415mm which is shown in the recap of rounds. we also must make sure they value our round pre money for 400mm or 415mm vs post 475mm or 490mm as 75mm was raised in series C (number 5 on deal history on attached PDF page 2)

pre money valuation

if 400mm to 4 billion = $10 \times \$1,500,000$ (50% of 3mm investment) = \$15,000,000
if 415mm to 4 billion = $9.63885 \times \$1,500,000$ (50% of 3mm investment) = \$14,457,831

post money valuation

if 475mm to 4 billion = $8.42105 \times \$1,500,000$ (50% of 3mm investment) = \$12,631,579
if 490mm to 4 billion = $8.16326 \times \$1,500,000$ (50% of 3mm investment) = \$12,244,898

also there was once talk of brock taking a fee on placing us in this investment. should we make brad's group responsible for dealing with brock?

if you would like to proceed brad would like darren to draw up purchase agreement and they are prepared to close this week

please advise
thank you

<Coinbase_PB_20170629030623271.pdf>

Richard Kahn
HBRK Associates Inc.
575 Lexington Avenue, 4th Floor
New York, NY 10022
tel 212-971-1306
fax 212-320-0381
cell 917-414-7584

On Jan 29, 2018, at 4:11 PM, Darren Indyke <[REDACTED]> wrote:

DARREN K. INDYKE
DARREN K. INDYKE, PLLC
575 Lexington Avenue, 4th Floor
New York, New York 10022
Telephone: (212) 971-1314
Telecopier: (646) 350-0378
Mobile: (973) 908-9233
email: [REDACTED]

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Begin forwarded message:

From: Darren Indyke <[REDACTED]>
Subject: Re: Update
Date: January 29, 2018 at 3:16:11 PM EST
To: " [REDACTED]" <[REDACTED]>
Cc: Darren Indyke <[REDACTED]>

Hi, Brad.

I know Jeffrey has received two other bids. He said he would prefer to sell to you. I don't want you to bid against yourself, but I suggest you come back to me with your best offer, and if it is accepted we will close by Friday.

DARREN K. INDYKE
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575 Lexington Avenue, 4th Floor
New York, New York 10022
Telephone: (212) 971-1314
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EFTA00900909

On Jan 29, 2018, at 3:13 PM, W Bradford Stephens <[REDACTED]> wrote:

Darren,

Just checking on the status/timing of this. Let me know when you get a chance- I will be travelling most of next week and the following week.

Best,

Brad

W. Bradford Stephens
<image001.png>
Co-Founder and Managing Partner
Blockchain Capital LLC
One Ferry Building, Suite 255
San Francisco, CA 94111
o: (415) 677-5340
www.blockchain.capital

Good morning, Brad.

We recognize that the company's value is greater than \$3 Billion already. So, we think a fair offer is \$11 Million for 50% of our Coinbase position.

Best,

DARREN K. INDYKE
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575 Lexington Avenue, 4th Floor
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Telecopier: (646) 350-0378
Mobile: (973) 908-9233
email: [REDACTED]

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On Jan 21, 2018, at 5:35 PM, W Bradford Stephens <[REDACTED]> wrote:

Darren,

EFTA00900910

Good to hear from you so quickly. We do not have anything formal, in terms of paperwork. But if Jeffrey wants to sell his Coinbase position, we will have legal documents drafted to facilitate the purchase of the LLC that holds the position.

We just raised a new fund, that does not have any exposure to Coinbase, thus we are looking for secondary positions to buy.

Given Blockchain Capital has no direct relationship with Jeffrey, other than through Brock Pierce, and Brock left Blockchain Capital in May of 2017, we figured that Jeffrey may want to take the ~\$12m of profit from this \$3m investment.

We are in contact with a few other sellers at this price, in case Jeffrey does not want to sell his position. But due to the dedicated LLC structure you created to house the position, purchasing the position from Jeffrey appears to be the simplest, and doesn't need to go through Coinbase.

Let us know Jeffrey's interest in moving forward.

Best,

Brad

W. Bradford Stephens
<image001.png>
Co-Founder and Managing Partner
Blockchain Capital LLC
One Ferry Building, Suite 255
San Francisco, CA 94111
o: (415) 677-5340
[REDACTED]
www.blockchain.capital

Invest alongside us or follow our individual investments at:

<https://angel.co/blockchain-capital/syndicate>

Brad,

Mr. Epstein is traveling. While he is away, can you send me papers on the proposed transaction so that I may review them before I present them to him?

Best,

Darren Indyke

Sent from my iPhone. Please excuse the typos.

On Jan 20, 2018, at 1:01 PM, W Bradford Stephens <[REDACTED]> wrote:

Darren,

Do you still work with Jeffrey? And if so, we are interested in buying the LLC below that we used to make this Coinbase investment. We did this investment at a \$400m valuation. The company just raised money at a 1.6b valuation, and we would be willing to buy the position from you at a \$2b valuation. We would pay \$15m for this \$3m investment.

Let us know if there is any interest.

W. Bradford Stephens
Co-Founder and Managing Partner
Blockchain Capital LLC
One Ferry Building, Suite 255
San Francisco, CA 94111
o: (415) 677-5340
www.blockchain.capital

On Dec 4, 2014, at 5:02 AM, Darren Indyke <[REDACTED]> wrote:

IGO Company, LLC, which is a USVI limited liability company.

Sent from my iPhone

On Dec 3, 2014, at 6:24 PM, W Bradford Stephens <[REDACTED]> wrote:

Darren,

Here is the information about the financing from Coinbase's lawyers. When we figure out which LLC will be making the \$3m investment, we will ave them change the name of the investing entity.

Wire instructions are also included below.

-Brad

W. Bradford Stephens
<7A324F8A-89AA-45E3-9770-C09FDDDD0738[20].png>
Blockchain.capital LLC
One Ferry Building, Suite 255
San Francisco, CA 94111
o: (415) 677-5440
www.Blockchain.Capital

Brad,

Attached are the following:

1. Signature Page Packet.
2. Executed Series C financing documents and filed charter for your reference.

Please note that your exact investment amounts will be as follows (the purchase price per share is \$16.58926):

| | <u>Series C Shares</u> | <u>Purchase Price</u> |
|---------------------------------|------------------------|-----------------------|
| Crypto Currency Partners II LLC | 180,840 | \$3,000,001.78 |
| Crypto Currency Partners II LP | 12,056 | \$200,000.12 |
| Crypto Currency Partners LP | 3,014 | \$50,000.03 |
| Total | 195,910 | \$3,250,001.93 |

Coinbase's wire instructions are as follows:

Wire Instructions

Account #: 3300915274

Routing #: 121140399

Account name: Coinbase, Inc.

Address: 548 Market St #23008, San Francisco, CA 94104

Bank Name: Silicon Valley Bank

Bank City and State: Santa Clara, CA

Please let us know of any questions.

Best,
Josh



JOSH POLICK
Associate

ORRICK, HERRINGTON & SUTCLIFFE LLP
1000 Marsh Road
Menlo Park, CA 94025-1015

tel +1-650-614-7460

fax +1-650-614-7401

Mobile +1-310-936-1442

[REDACTED]
[bio](#) • [vcard](#)

[REDACTED]

From: W Bradford Stephens [mailto:[REDACTED]]

Sent: Wednesday, December 03, 2014 1:03 PM

To: Pollick, Josh

Cc: Brock Pierce; Bart Stephens; Mary Williamson

Subject: Re: Update

Josh,

We will be investing \$3,250,000. This will be coming from three entities, listed below:

\$3,000,000 from 'Crypto Currency Partners II LLC'

\$200,000 from 'Crypto Currency Partners II LP'

\$50,000 from 'Crypto Currency Partners LP'

Our address is below, and I am the signing entity for all three as the 'Managing Partner'

What else do you need from us?

-Brad

W. Bradford Stephens

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Blockchain.capital LLC

One Ferry Building, Suite 255

San Francisco, CA 94111

o: (415) 677-5440

www.Blockchain.Capital

Ok. We should be able to accommodate that. Including Josh from our legal who can get you the proper docs.

I'm not sure the availability will last, but if you find you want to do more it's probably worth a ping.

On Wednesday, December 3, 2014, W Bradford Stephens <[REDACTED]> wrote:
Fred,

We have spoken to our investors and we would like to invest \$3,250,000 into your current round. Although a smaller investment than we originally discussed, we are glad we were able to get this together given the extremely short fuse on timing.

Assuming you are okay with our smaller participation, lets move forward with next steps of legal docs and wires.

We are excited to be involved,

Brad

W. Bradford Stephens

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San Francisco, CA 94111

o: (415) 677-5440

www.Blockchain.capital

From: Fred Ehrsam <[REDACTED]>
Date: Wednesday, December 3, 2014 at 8:05 AM
To: W Bradford Stephens <[REDACTED]>

Cc: Brock Pierce <brock@blockchain.capital>, Bart Stephens <bart@blockchain.capital>, Maïa Carpenter <maiacarpenter@blockchain.capital>

Subject: Re: Update

Ok. I have a gap between noon and 3 PM today, but again, not crucial for me, but would be nice to meet him if convenient. Is it important for him?

On Wednesday, December 3, 2014, W Bradford Stephens <brad@blockchain.capital> wrote:
Fred,

I apologize for the lack of communication - Jeff was in a full afternoon board meeting yesterday. Brock is working with his EA to ideally find a time for you two to meet today.

We will be back to you shortly.

Brad

Sent from the Mobile Brad Network.

On Dec 3, 2014, at 6:14 AM, Fred Ehrsam <fred@coinbase.com> wrote:

Hey guys - wanted to check in as you said you'd be back yesterday.

--

Fred Ehrsam
Coinbase

San Francisco, CA, USA

--
Fred Ehrsam
Coinbase

San Francisco, CA, USA

--
Fred Ehrsam
Coinbase

San Francisco, CA, USA

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