

EXHIBIT 7

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UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK

- - -

GOVERNMENT OF THE UNITED STATES VIRGIN ISLANDS
Plaintiff,
v.
JPMORGAN CHASE BANK, N.A.
Defendant/Third-Party
Plaintiff.

: Case Number:
: 1:22-cv-
: 10904-JSR
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JPMORGAN CHASE BANK, N.A.
Third-Party Plaintiff,
v.
JAMES EDWARD STALEY
Third-Party Defendant.

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- - -

MAY 24, 2023
HIGHLY CONFIDENTIAL

- - -

Videotaped deposition of
STEPHEN CUTLER, taken pursuant to notice,
was held at the law offices of Boies
Schiller Flexner LLP, 55 Hudson Yards,
New York, New York, commencing at
9:40 a.m., on the above date, before
Amanda Dee Maslynsky-Miller, a Certified
Realtime Reporter and Notary Public in
and for the State of New York.

- - -

GOLKOW LITIGATION SERVICES, INC.
877.370.3377 ph | 917.591.5672 fax
deps@golkow.com

1 investigations?

2 A. No.

3 Q. What is a Wells notice?

4 A. A Wells notice is a notice
5 provided by the enforcement staff of the
6 SEC to a person or entity, when the staff
7 has drawn a preliminary conclusion that
8 an enforcement action is warranted.

9 Q. Are you familiar with Towers
10 Financial?

11 A. The name -- the name sounds
12 familiar.

13 Q. Does the name Steve
14 Hoffenberg sound familiar?

15 A. It does.

16 Q. Do you recall that before
17 Bernie Madoff, Towers Financial was
18 responsible for the largest Ponzi scheme
19 in U.S. history?

20 A. I don't recall that.

21 Q. Do you recall anything about
22 Towers Financial and Steve Hoffenberg
23 being involved in a Ponzi scheme?

24 A. I mean, that rings a bell.

1 But I think you've now exhausted my
2 recollection of the Towers Financial
3 matter.

4 Q. Is the reason it might ring
5 a bell is because Towers Financial and
6 Steve Hoffenberg were prosecuted by the
7 SEC?

8 Mr. EDELMAN: Objection to
9 form.

10 THE WITNESS: It rings a
11 bell that the SEC sued Towers
12 Financial. And I can't say
13 whether it also sued
14 Mr. Hoffenberg. I just don't
15 remember.

16 BY MS. LIU:

17 Q. Are you aware of the 2003
18 Vanity Fair article, The Talented
19 Mr. Epstein?

20 A. I don't know.

21 Q. Do you recall being sent a
22 document that referenced that article
23 when you were general counsel at
24 JPMorgan?

1 A. I don't have a recollection
2 of that.

3 Q. Are you aware that the
4 article states that Jeffrey Epstein was
5 said to have been involved with Towers
6 Financial and Steve Hoffenberg?

7 MR. GAIL: Objection.

8 THE WITNESS: I don't recall
9 that.

10 BY MS. LIU:

11 Q. When you were head of
12 enforcement at the SEC, you went after
13 JPMorgan, correct?

14 MR. GAIL: Objection.

15 THE WITNESS: I know the SEC
16 sued JPMorgan during my tenure at
17 the SEC.

18 BY MS. LIU:

19 Q. And what did they sue
20 JPMorgan for?

21 A. I believe it was a matter
22 related to transactions that may have
23 concerned Enron.

24 Q. Right. JPMorgan was alleged

1 A. Yes.

2 Q. And Bear Stearns had all but
3 collapsed; is that your recollection?

4 A. I think my recollection
5 would be, I think, absent an acquisition,
6 they might have collapsed.

7 Q. And WilmerHale, the law firm
8 representing JPMorgan here in this case,
9 was also part of the legal team involved
10 in the acquisition of Bear Stearns,
11 correct?

12 A. I don't -- I don't know
13 that.

14 Q. So it's possible, you just
15 don't recall one way or the other?

16 A. I just -- I actually
17 remember our principal counsel being
18 Wachtell Lipton.

19 Q. Do you recall securities
20 counsel being WilmerHale?

21 A. In connection with the Bear
22 Stearns acquisition?

23 Q. Yes.

24 A. I actually don't.

1 Q. Okay. And you were aware
2 and involved in discussions related to
3 Jeffrey Epstein and Jeffrey Epstein's
4 Financial Trust Corporation, or FTC's,
5 lawsuit against Bear Stearns, correct?

6 A. I wouldn't have known FTC or
7 that doesn't sound familiar to me. But I
8 remember having some involvement in
9 Mr. Epstein's claims against Bear Stearns
10 that we inherited as -- "we" being
11 JPMorgan, inherited in connection with
12 the Bear Stearns transaction.

13 Q. Right. And so when you
14 acquired Bear Stearns in 2008, was it the
15 case that you understood Jeffrey Epstein
16 had already sued Bear Stearns or was
17 about to sue Bear Stearns? Do you
18 recall?

19 A. I don't recall that.

20 Q. And what did you -- what do
21 you recall Jeffrey Epstein was suing Bear
22 Stearns over?

23 A. I think it was principally
24 around the drop in stock price, that Bear

1 Stearns had traded as high as, I don't
2 know what, and ultimately when we
3 acquired Bear Stearns it was at, you
4 know, a much lower price than he had
5 acquired the stock for.

6 Q. Do you recall that part of
7 his lawsuit was related to losses for
8 investments in asset-backed securities?

9 A. I don't -- I don't remember
10 that. It's entirely possible that he was
11 invested in a hedge fund, a Bear
12 Stearns-sponsored hedge fund that had
13 invested in asset-backed securities, I
14 just can't remember.

15 Q. And you recall that the
16 success of the Bear Stearns acquisition
17 was important to JPMorgan?

18 A. Sure.

19 Q. And as the top lawyer
20 involved in that acquisition, was it
21 important to you?

22 A. Yes. I mean, we acquired
23 Bear Stearns largely because the
24 government of the United States wanted

1 A. That's correct.

2 Q. Do you know who Thomas Smith
3 is? Thomas J. Smith, if that helps,
4 working with Anne Verdon, possibly.

5 Does that ring a bell?

6 A. I would have said he may
7 have been a lawyer at JPMorgan in the
8 asset management area, but I can't
9 remember.

10 Q. I'm sorry, did you say a
11 lawyer?

12 A. I think so. I'm just not
13 sure.

14 Q. Do you recall if you ever
15 had conversations with Thomas Smith
16 related to Jeffrey Epstein?

17 A. I don't recall.

18 Q. Do you recall having
19 conversations, in the 2009 time period,
20 with Anne Verdon related to Jeffrey
21 Epstein?

22 A. In 2009? I don't recall
23 that.

24 Q. Who is Alan Greenberg?

1 A. He was a former Bear Stearns
2 senior executive. And then when we
3 effected the transaction with Bear
4 Stearns, he continued his association
5 with the combined firm, if you will, on
6 the broker side.

7 Q. So he was with Bear Stearns,
8 after the acquisition came over to
9 JPMorgan, correct?

10 A. Correct.

11 Q. Do you recall that Alan
12 Greenberg was specifically discussed in
13 Jeffrey Epstein's lawsuit against Bear
14 Stearns?

15 A. I don't know.

16 Q. Alan Greenberg went by the
17 name Ace, correct?

18 A. Correct.

19 Q. Were you friends with him?

20 A. No.

21 Q. Who at JPMorgan, if you
22 know, was Alan Greenberg close to?

23 A. Oh, I don't know.

24 Q. So you don't know if he was

1 friends with Mary Erdoes, for example?

2 A. I don't know that.

3 Q. Was he friends with Jamie
4 Dimon?

5 A. I -- I don't know that.

6 Q. Was he friends with Jes
7 Staley?

8 A. Not that I know of.

9 - - -

10 (Whereupon, Exhibit
11 Cutler-14, JPM-SDNYLIT-00274324,
12 8/11/10 E-mail, was marked for
13 identification.)

14 - - -

15 BY MS. LIU:

16 Q. I'm handing you what has
17 been marked as Exhibit-14.

18 So you'll see the bottom
19 e-mail is from somebody named Todd Cook
20 to Alan Greenberg.

21 Do you see that?

22 A. Yes.

23 Q. And Todd Cook is in
24 JPMorgan's securities legal department.

1 Do you see that?

2 A. Yes.

3 Q. And he would have been
4 someone who also reported up to you,
5 correct?

6 A. I mean, yes, ultimately he
7 would have reported -- he indirectly
8 reported to me, that's correct.

9 Q. All right. So in -- in
10 August of 2010 at this time Jeffrey
11 Epstein, I think we confirmed, was still
12 a client at JPMorgan, correct?

13 A. Correct.

14 Q. Todd writes, Alan, I'm
15 following up on our conversation about
16 Jeffrey Epstein. As mentioned, he is
17 suing us over investments made in the
18 Bear Stearns ABS and high-grade funds.

19 Do you see that?

20 A. I do.

21 Q. Does that refresh your
22 recollection that there was a lawsuit by
23 Jeffrey Epstein against Bear Stearns?

24 A. Yes.

1 Q. So then --

2 A. Well, I think I spoke too
3 quickly.

4 I don't know whether he
5 actually brought a lawsuit or he had just
6 asserted claims. I just don't know. I
7 see that this says he is suing us, but I
8 don't -- I don't recall an actual
9 lawsuit. It's possible.

10 Q. And you don't recall being
11 involved in discussions, in June of 2008,
12 related to potential litigation or
13 anticipated litigation of Jeffrey Epstein
14 versus Bear Stearns?

15 MR. GAIL: Did you say 2008?

16 I'm sorry.

17 THE WITNESS: 2008?

18 MS. LIU: June of 2008.

19 THE WITNESS: I certainly
20 recall discussions in 2008 about
21 Bear Stearns' potential
22 liabilities, including lawsuits or
23 claims against Bear Stearns.

24 I don't recall discussions

1 about Jeffrey Epstein in that
2 context in 2008.

3 BY MS. LIU:

4 Q. I assume you haven't
5 reviewed the priv log that JPMorgan
6 provided to us in this case, correct?

7 A. Correct.

8 Q. Do you recall somebody by
9 the name of David Weintraub --

10 A. Yes.

11 Q. -- at bear.com?

12 A. Yes.

13 Q. And do you recall that as
14 early as June 11th of 2008 he was
15 communicating with you related to
16 rendering and discussing legal advice as
17 prepared because of anticipated or
18 current litigation regarding Epstein's
19 Bear Stearns?

20 A. I don't.

21 Q. But you have no reason to
22 doubt the accuracy that David Weintraub
23 at Bear Stearns was e-mailing with you
24 related to possible litigation by Jeffrey

1 Epstein in June of 2008?

2 MR. EDELMAN: Objection to
3 form.

4 BY MS. LIU:

5 Q. Could that be true?

6 A. That Mr. Weintraub was
7 communicating with me about potential
8 litigation by Mr. Epstein concerning Bear
9 Stearns matters?

10 Q. Correct.

11 MR. EDELMAN: The question
12 is, could that be true?

13 THE WITNESS: Yes, it could
14 have been true -- it could be
15 true.

16 BY MS. LIU:

17 Q. And you recall June of 2008
18 is the month and year that Jeffrey
19 Epstein pled guilty and became a
20 convicted felon, correct?

21 A. I know that, yes.

22 Q. And so brewing at the same
23 time that he is being kept on at the bank
24 is a lawsuit that he has against Bear

1 Stearns, correct?

2 MR. GAIL: Objection.

3 THE WITNESS: If I
4 understand your question, at the
5 same time that he is potentially
6 asserting claims against Bear
7 Stearns, he is also pleading
8 guilty to the crimes he pled
9 guilty to, that lines up.

10 BY MS. LIU:

11 Q. Right. And it also lines up
12 that it's the same time period that the
13 company had a decision to make about
14 whether or not to retain Jeffrey Epstein
15 as a client, and they did so, correct?

16 A. Correct.

17 Q. So if you look at the top of
18 the exhibit I just shared with you --

19 A. Yes.

20 Q. -- you'll see Dominique
21 Pranito e-mails you on 8/11/2010 and
22 says, Alan Greenberg just called and
23 wants to know -- and then there's a
24 redaction -- see details below.

1 Do you see that?

2 A. I do.

3 Q. So, presumably, Alan
4 Greenberg called related to something
5 about Jeffrey Epstein and the lawsuit; is
6 that fair?

7 MR. GAIL: Objection.

8 THE WITNESS: I don't know.

9 BY MS. LIU:

10 Q. Who is Dominique Pranito?

11 A. My assistant. I should say
12 she was my assistant.

13 - - -

14 (Whereupon, Exhibit
15 Cutler-15, JPM-SDNYLIT-00009597,
16 8/26/10 E-mail, was marked for
17 identification.)

18 - - -

19 BY MS. LIU:

20 Q. I'm handing you what has
21 been marked as Exhibit-15.

22 You'll see this is an e-mail
23 from Jeffrey Epstein,
24 jeevacation@gmail.com, to Jes Staley on

1 August 26th, 2010.

2 Do you see that?

3 A. I do.

4 Q. And this says, Steve Cutler
5 sent Alan Greenberg a note telling him
6 you and I settled, question mark,
7 question mark, question mark. I haven't
8 seen anything since our conversation,
9 period, question mark, question mark.

10 Do you see that?

11 A. I do.

12 Q. Do you recall sending Alan
13 Greenberg a note or a communication
14 around this time?

15 A. I do not.

16 - - -

17 (Whereupon, Exhibit
18 Cutler-16, JPM-SDNYLIT-00274402,
19 9/24/10 E-mail, was marked for
20 identification.)

21 - - -

22 BY MS. LIU:

23 Q. I'm handing you what has
24 been marked as Exhibit-16.

1 So you'll see from the top
2 e-mail this is, approximately, a month
3 later from the last e-mail we looked at.
4 It's from Melissa Getler to you, Stephen
5 M. Cutler, 9/24/10.

6 Do you see that?

7 A. I do.

8 Q. Who is Melissa Getler?

9 A. I think she was a litigator,
10 but I'm not positive.

11 Q. So she worked for --

12 A. She was -- she was in the
13 legal department. I just don't recall
14 which area.

15 Q. So you'll see the bottom
16 e-mail is from Jeffrey Epstein to Jes
17 Staley, Please forward to Cutler?

18 A. I do.

19 Q. Do you see that?

20 A. Yes.

21 Q. And then Jes Staley forwards
22 you something, and it's redacted,
23 privileged.

24 Do you see that?

1 A. I see that.

2 Q. And you forward it to
3 Melissa Getler.

4 Do you see that?

5 A. I do.

6 Q. And then she writes
7 something to you that we can't see
8 because it's redacted.

9 Do you see that?

10 A. I do.

11 Q. Okay. So do you recall that
12 Melissa Getler was also involved in
13 discussions related to the litigation
14 that Jeffrey Epstein had against Bear
15 Stearns?

16 A. I don't have an independent
17 recollection of that. Seeing this
18 document, that -- it's entirely possible
19 that she would have been involved in
20 litigation against -- or with
21 Mr. Epstein.

22 - - -

23 (Whereupon, Exhibit

24 Cutler-17,

1 JPM-SDNYLIT-00010065-080, 9/23/10
2 E-mail, was marked for
3 identification.)

4 - - -

5 BY MS. LIU:

6 Q. I'm handing you what has
7 been marked as Exhibit-17.

8 You'll recall in the last
9 exhibit, 16, the bottom e-mail was
10 Jeffrey Epstein, September 23rd, with a
11 please forward to Cutler to Jes Staley,
12 right?

13 A. I do.

14 Q. Okay. So now you can see
15 that this e-mail, which contains that
16 same bottom e-mail, then forwards
17 something to Jes Staley, which he then
18 forwards to you, 9/23/2010, DKI 9/23
19 draft FTC settlement agreement.

20 Do you see that?

21 A. I do.

22 Q. And do you recognize the
23 initials DKI?

24 A. No.

1 Q. Do you recall Darren K.
2 Indyke being the lawyer for Jeffrey
3 Epstein?

4 A. I think I've seen documents
5 recently that suggested that -- that
6 Mr. Indyke was someone who was associated
7 with Mr. Epstein. I don't -- I don't
8 have any knowledge of that.

9 Q. So, then, this -- if you
10 turn to the first page of the attachment,
11 you'll see there's a draft, Settlement
12 agreement and release.

13 Do you see that?

14 A. I do.

15 Q. And it's entered into by and
16 among Jeffrey Epstein Financial Trust
17 Company.

18 Do you see that?

19 A. I do.

20 Q. And others -- and the Bear
21 Stearns companies and some others.

22 Do you see that?

23 A. I do.

24 Q. Does this refresh your

1 recollection in any way about the lawsuit
2 that Jeffrey Epstein had brought against
3 Bear Stearns?

4 A. I still don't know if there
5 was an actual lawsuit, but I can read --
6 I just read that first paragraph.

7 I don't know whether there
8 was, in fact, a lawsuit or whether there
9 were claims. But you may not be -- that
10 distinction may not be important to you
11 in your question. I just don't know.

12 Q. Well, it looks like, I think
13 on the next page, it's referring to an
14 arbitration proceeding. Maybe I'm
15 calling that a lawsuit.

16 Is that fair?

17 A. I see that. And I wouldn't
18 have known that either. But okay, I see
19 that.

20 Q. So if you turn to Page 15 of
21 this document, there's an Exhibit A.

22 A. Yes.

23 Q. And it says, Party, and it
24 lists the three parties.

1 Do you see that?

2 A. I do.

3 Q. And it talks about fund,
4 date, contribution.

5 Do you see that?

6 A. I do.

7 Q. And the contribution totals,
8 for the three parties, approximately \$41
9 million.

10 Do you see that?

11 MR. EDELMAN: Objection to
12 form.

13 THE WITNESS: I do.

14 BY MS. LIU:

15 Q. Does that refresh your
16 recollection in any way that Jeffrey
17 Epstein was suing Bear Stearns over
18 losses that were approximately \$41
19 million?

20 MR. EDELMAN: Objection to
21 form.

22 THE WITNESS: I don't think
23 that's what it says.

24 BY MS. LIU:

1 Q. What does it say?

2 A. I would have to read the
3 whole document, but I would read, if
4 I'm -- I'm just focusing on Exhibit A,
5 having not read the remainder of the
6 document.

7 It looks like that's the
8 amount that those parties invested.

9 Q. I'm sorry.

10 A. But I'm not sure.

11 Q. Okay. And that -- fair
12 enough.

13 It looks like that's the
14 contribution amount made by those parties
15 in the Bear Stearns funds; is that fair?

16 A. That's what it -- that's
17 what it looks like. I don't know if
18 that's what is meant.

19 Q. Okay.

20 A. If you want me to study the
21 document, I can study it.

22 - - -

23 (Whereupon, Exhibit

24 Cutler-18, JPM-SDNYLIT-00010100,

1 there.

2 A. Okay.

3 Q. Maybe not coincidentally,
4 Todd called me about Epstein last week.

5 Do you see that?

6 A. I do.

7 Q. Ace Greenberg wants to do
8 business with him.

9 Do you see that?

10 A. I do.

11 Q. And at this time, Ace, or
12 Alan Greenberg, was already at JPMorgan,
13 correct?

14 A. Yes.

15 Q. And he's the person we were
16 talking about who was formerly with Bear
17 Stearns, correct?

18 A. Correct.

19 Q. And I think you did not
20 remember or recall, but he was named in a
21 lawsuit that Jeffrey Epstein brought
22 against Bear Stearns.

23 Do you know that?

24 A. That -- that Mr. Greenberg

1 was named in a lawsuit?

2 Q. He was -- there were
3 allegations related to Mr. Greenberg in
4 the lawsuit.

5 A. I don't recall that.

6 Q. Okay. Ace Greenberg wants
7 to do business with him. I told Todd --
8 and then there's a redaction.

9 Do you see that?

10 A. I do.

11 Q. So maybe Ace is pushing it.
12 Do you see that?

13 A. I do.

14 Q. Did you know at this time,
15 in 2010, that Alan "Ace" Greenberg wanted
16 to do business with Jeffrey Epstein?

17 A. Well, I thought you showed
18 me another e-mail that suggested that. I
19 don't know.

20 I don't remember that.

21 Q. You're thinking about
22 Exhibit --

23 A. Yeah, I see it says, Alan
24 Greenberg just called and wants to know.

1 I don't know what it is that
2 he wanted to know, because it's redacted.

3 Q. So I'm asking, at the
4 time --

5 A. It may well be that
6 Mr. Greenberg was doing brokerage
7 business with Mr. Epstein. I just don't
8 remember.

9 Q. So Melissa Getler writes
10 back to James Condren, Okay. That
11 provides some context, maybe. Thanks.

12 Do you see that?

13 A. I do.

14 Q. Okay. James Condren then
15 forwards it to Todd Cook.

16 Do you see that?

17 A. I do.

18 Q. Todd Cook is another lawyer,
19 right?

20 A. Yes.

21 Q. Todd Cook then forwards it
22 to James Condren, Melissa Getler, Anne
23 Verdon, Greg Quental.

24 Do you see that?

1 A. I do.

2 Q. Who is Greg Quental?

3 A. I don't remember. I don't
4 think he was a lawyer. I think he was a
5 business person.

6 Q. After we spoke -- this is
7 Todd writing to James Condren, Melissa
8 Getler, Anne Verdon and Greg Quental,
9 August 16th, 2010.

10 After we spoke, I realized
11 that not only is Epstein suing us, but
12 since he's a convicted felon, the
13 approval of Cutler or Zubrow would be
14 required by the firm's felon policy. It
15 looks like Ace may have reached out to
16 Cutler.

17 Do you see that?

18 A. I do.

19 Q. Do you recall Mr. Greenberg
20 reaching out to you on or about this
21 time?

22 A. I mean, I see this -- where
23 is that e-mail?

24 I mean, I see the -- this is

1 Exhibit-14, my assistant writing to me
2 that Mr. Greenberg just called and wants
3 to know something, and it relates to
4 Jeffrey Epstein.

5 I don't -- I don't have an
6 independent recollection of this. I
7 believe -- I believe Mr. Greenberg was
8 servicing the -- the Epstein account.

9 Q. And Melissa Getler writes to
10 Todd Cook, James Condren, Anne Verdon,
11 Greg Quental, We are in contact with
12 Cutler on this.

13 Do you see that?

14 A. I do.

15 Q. And then Todd Cook writes
16 back to Melissa Getler, Anne Verdon, Greg
17 Quental, Did Ace go to him for an
18 exception to the felon policy?

19 Do you see that?

20 A. I do.

21 Q. What was an exception to the
22 felon policy?

23 MR. EDELMAN: Objection to
24 the form.

1 requirement in the policy that we
2 reviewed earlier today that says
3 that it must go to Jamie Dimon
4 somehow, if that's the policy that
5 we're talking about.

6 BY MS. LIU:

7 Q. I'm asking if you know, that
8 if Alan Greenberg came to you and said, I
9 want to do business with Jeffrey Epstein,
10 I would like an exception to the felon
11 policy, and you said okay, would that
12 have to go up to Jamie Dimon for final
13 blessing?

14 MR. EDELMAN: Objection to
15 form.

16 THE WITNESS: I don't
17 believe Mr. Greenberg came to me
18 and said we need -- I need an
19 exception to a felon policy.

20 So I'm not sure I
21 understand, then, the -- how to
22 answer the question.

23 BY MS. LIU:

24 Q. Melissa Getler, the person