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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

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March 11, 2025

The Honorable Pam Bondi
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530

The Honorable Scott Bessent
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

The Honorable Kash Patel
Director
Federal Bureau of Investigation
935 Pennsylvania Avenue NW
Washington, D.C. 20535

Dear Attorney General Bondi, Secretary Bessent and Director Patel:

In light of Attorney General Bondi's recent claims that DOJ intends to pursue accountability and transparency for those involved with Jeffrey Epstein's sex trafficking network¹, I write to request any documents in the possession of the Department of Justice ("the DOJ") and the U.S. Treasury Department ("the Treasury Department") related to individuals, financial institutions, attorneys and agents that may have known about or facilitated the financing Epstein's illegal activities.

As Chairman of the Senate Committee on Finance ("the Committee"), and now Ranking Member of the Committee, members of my staff have been conducting an investigation into at least \$158 million in payments made by financier Leon Black to Jeffrey Epstein for purported tax and estate planning advice.² Over the course of the ongoing Finance Committee

¹ *Attorney General Pamela Bondi Releases First Phase of Declassified Epstein Files*, U.S. Department of Justice, Feb. 27, 2025, online at <https://www.justice.gov/opa/pr/attorney-general-pamela-bondi-releases-first-phase-declassified-epstein-files>

² *Wyden Unveils Ongoing Investigation Into Private Equity Billionaire Leon Black's Tax Planning and Financial Ties with Jeffrey Epstein*, U.S. Senate Committee on Finance, Jul. 25, 2023, online at <https://www.finance.senate.gov/chairmans-news/wyden-unveils-ongoing-investigation-into-private-equity-billionaire-leon-blacks-tax-planning-and-financial-ties-with-jeffrey-epstein>

investigation, my staff have uncovered new evidence, including through review of federal government records, indicating that money paid by Black to Epstein was used to finance Epstein's sex trafficking operations and that the true amount Black paid Epstein is actually significantly higher than previously known. My staff further discovered that a major U.S. financial institution failed to do legally required due diligence on the payments from Black to Epstein and waited nearly seven years to report the transactions to the Treasury Department. To date, Black's attorneys have not been able to explain why Epstein was paid significantly more than other professional advisors involved in Black's tax and estate planning, most of which was done without any form of written contract.

I am concerned that Attorney General Bondi's February 27th release of documents related to the Epstein case failed to provide any meaningful new information, and that many of these documents were already in the public domain—similar concerns have been raised by Democrats and Republicans alike. It is crucial your agencies provide the Committee with the requested documents in order to further its ongoing investigation, and to ensure that the Trump Department of Justice does not sweep any case against high profile individuals associated with Epstein's activities under the rug.

If the Trump Administration is truly committed to "lifting the veil" on Epstein's sources of funding, the DOJ and Treasury Department should properly investigate the extent to which the extraordinary amounts of cash Black paid to Epstein were used to finance Epstein's criminal network and whether financial institutions broke the law by turning a blind eye to such obviously suspicious behavior. Given the scope of Epstein's scheme, the substantial public interest, and bipartisan concerns about the Trump Administration's failure to follow through on meaningful lines of inquiry related to the Epstein investigation to-date, I ask that you provide these documents no later than March 27, 2025.

The Finance Committee investigation obtained evidence that payments from Black to Epstein were used to fund Epstein's operations

As part of the Committee's investigation, my investigative staff obtained a copy of a settlement agreement between Leon Black and the Attorney General of the U.S. Virgin Islands ("the USVI settlement") signed on January 20, 2023. Under the USVI settlement, Black agreed to pay \$62 million to the U.S. Virgin Islands in order to avoid criminal prosecution from any acts or events related to Jeffrey Epstein.³ The USVI settlement also provides immunity from criminal prosecution to Black's attorneys, any individuals acting as Black's agents, and any private entities owned or controlled by Black.⁴ Disturbingly, the USVI settlement acknowledges that

³ Settlement Agreement and Release entered into between the Government of the U.S. Virgin Islands and Leon Black on January 20, 2023. A copy of this agreement accompanies this letter.

⁴ *Id.* (At pg. 1, "In consideration for the payments, benefits, and other promises and covenants set forth herein, the United States Virgin Islands voluntarily, knowingly, willingly and irrevocably releases and forever discharges Leon Black, and all of his attorneys and other agents acting within the scope of their authority, as well as any private entities he owns or controls, as well as any of those entities' subsidiaries, affiliates, and parents, together with each of those entities' respective officers, directors, employees, or authorized agents (collectively, the 'Releasees') from any and all claims and rights of any nature whatsoever which the United States Virgin Islands now has or in the future may have against them related to Jeffrey Epstein, whether known or unknown, suspected or unsuspected, for any act, omission, or event occurring up to and including the date this agreement is executed."

Black paid Epstein \$158 million and that “Jeffrey Epstein used the money Black paid him to partially fund his operations in the Virgin Islands.”⁵

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Agreement”) is entered into this 20th day of January, 2023, between the Government of the United States Virgin Islands (“the U.S. Virgin Islands” or “GVI”) and Leon Black (“Black”).

I. RECITALS

WHEREAS, according to public reports, Black paid \$158 million over approximately five years to Jeffrey Epstein’s Virgin Islands company, Southern Trust, for what Black contends was for services rendered and value received.

WHEREAS, Jeffrey Epstein used the money Black paid him to partially fund his operations in the Virgin Islands.

This is a clear admission that part of the extraordinary amounts of cash Black paid to Epstein was used to finance Epstein’s sex trafficking activities and other crimes. This merits immediate investigation by the DOJ and Treasury Department. The USVI settlement appears to offer no immunity to any potential federal charges that may arise from the matter, including for other parties involved such as financial institutions.

The Finance Committee discovered that the true amount Black paid to Epstein was actually \$170 million, significantly higher than previously known

As part of the Committee’s investigation, my investigative staff reviewed federal records confirming that the amount Black paid to Epstein between 2012 – 2017 was actually significantly higher than the \$158 million amount identified by an investigation commissioned by the Apollo Global Management’s Board of Directors (“Apollo Board’s investigation”) into Black’s ties to Epstein.⁶ These records reviewed by my staff identified several previously unknown large wire transfers from Black to Epstein, totaling \$12 million. The inclusion of these transfers increases the true amount paid by Black to Epstein to more than \$170 million. These wire transfers were not identified by the Apollo Board’s investigation conducted by a major law firm. Despite repeated inquiries from my investigators, I have not received any explanation from

⁵ Id. (At pg. 1, “WHEREAS, Jeffrey Epstein used the money Black paid him to partially fund his operations in the Virgin Islands.”)

⁶ Apollo Global Management, Inc. *Investigation of Epstein/Black Relationship and Any Relationship Between Epstein and Apollo Global Management*, available online at <https://www.sec.gov/Archives/edgar/data/1411494/000119312521016405/d118102dex991.htm> (At pg. 4: “Black compensated Epstein for his work in amounts that were intended to be proportional to the value provided by Epstein. Those payments for work performed over the period 2012 through 2017 totaled \$158 million.”)

Black's attorneys as to why the Apollo Board's investigation omitted or failed to identify these \$12 million payments or their purpose.

The Finance Committee found that a major U.S. financial institution waited seven years to report Black's payments to Epstein to the Treasury Department

According to Treasury Department records, Leon Black and related individuals or entities maintained accounts at a large U.S. financial institution (hereafter "the Bank") that were used to pay Jeffrey Epstein approximately \$170 million from 2013 to 2017. The payments from the accounts controlled by Black, referred to here as "The Black accounts," were made to two entities controlled by Epstein: Southern Trust Company and Financial Trust Company Inc.⁷ These payments were typically very large, averaging about \$8 million per wire transfer. In some cases, the transactions were substantially larger, including one payment of \$20 million in July 2014. The majority of these transactions occurred between 2013 and 2015, when \$140 million was transferred from the Black accounts to Epstein's Southern Trust Company accounts at Deutsche Bank.

Despite the unusually large size of these payments, and Epstein's lack of credentials to perform the tax and estate planning services that were eventually claimed as the reason for the transactions, the Bank does not appear to have conducted significant diligence of the transactions and did not report them to FinCEN until February 2020. The Bank waited as long as seven years after Leon Black started wiring millions to Epstein before reporting the payments to the U.S. government, and didn't flag transactions until five years after the Black accounts had already paid Epstein \$140 million.

Records reviewed by staff revealed that the Bank failed to conduct meaningful due diligence on the payments to Epstein and cleared them without asking for information as to the nature of the transactions. Records filed by the bank do not reflect the nominal "professional services" purpose for the payments, suggesting that the bank did not inquire about the payments to Black or his associates. In a February of 2020 filing, the Bank flagged \$156 million paid by the Black accounts to Epstein and stated that "the wire transfer activity does not appear have a verifiable business purpose." The filing also stated that the transactions had "no apparent economic, business or lawful purpose" and involved "suspicious use of multiple accounts."

The Bank made a second filing eight months later in October 2020 flagging "two potentially unusual wires" from the Black accounts to Epstein that the bank had failed to identify, one for \$5.5 million in November 2012 and another \$8 million in April 2017. This filing brought the total paid by the Black accounts to Epstein to approximately \$170 million.

A major U.S. financial institution should face investigation for violations of federal anti-money laundering laws for its handling of transactions involving Jeffrey Epstein

⁷ "The Black Accounts" includes accounts at the Bank opened by the following individuals and entities: Leon Black, Debra Black, Black Family Partners, L.P., Narrows Holdings, LLC, Elysium Management LLC and Melanie Spinella

Based on the Committee’s investigation, I believe multiple aspects of the Bank’s handling of \$170 million in payments between Black and Epstein should be investigated for BSA violations.

First, the Bank did not make filings related to the Black and Epstein transactions until seven years after the transactions began in 2013. In fact, the Bank first reported the payments from Black to Epstein more than eight months after Epstein was arrested on charges of sex trafficking involving underage girls. The reasons for this failure to timely file should be investigated to determine potential BSA non-compliance.

Second, the Bank appears to have failed to conduct required due diligence on transactions between the Black accounts and Epstein. In the years following Epstein’s 2019 arrest, Black has stated that his payments to Epstein were for tax planning or other professional services. By stating in their filings that \$170 million in payments to Epstein “did not appear to have a verifiable business purpose,” The Bank implies it was unaware of the stated purpose for the payments to Epstein.

Furthermore, had the Bank been aware of Black’s stated purpose of professional services for his payments to Epstein, any subsequent due diligence by the bank would have identified a number of suspicious indicators. For example, approximately \$100 million in payments from Black to Epstein between 2014 and 2017 were done without any written services agreement or contractual arrangement, and were simply made on “ad hoc” basis.⁸ Such an arrangement is incongruent with a legitimate professional services contract.

Additionally, information provided to the Committee by Black’s own attorneys create an inconsistent narrative as to the scope and value of the tax planning services Epstein was alleged to have provided. Specifically, the Apollo Board conducted a review related to the execution of a “step-up-basis transaction” for which Black paid Epstein \$20 million. According to the Apollo Board’s review, Epstein provided “significant value” to the step-up-basis transaction, which appears to have helped Black save approximately \$600 million in future gift and estate taxes.⁹ However, Black’s own attorneys minimized Epstein’s involvement in the transaction and stated that the “idea was in the public domain and originated with Black’s other legal advisors. Nevertheless, Epstein tried to take credit for the idea and secure compensation.”¹⁰

⁸ Apollo Global Management, Inc. *Investigation of Epstein/Black Relationship and Any Relationship Between Epstein and Apollo Global Management*, available online at <https://www.sec.gov/Archives/edgar/data/1411494/000119312521016405/d118102dex991.htm> (At pg. 16: “Starting in 2014, Black began to pay Epstein for his ongoing services on an ad hoc basis, without negotiating written service agreements. In total, Black paid Epstein \$70 million in 2014 and \$30 million in 2015. Of these amounts, Black attributed \$20 million to Epstein’s work on the step-up basis transaction and attributed the remainder to the various other matters including his advice about estate, tax planning, tax audits, and filings, managing Black’s artwork, Family Office management, and advice regarding Black’s yacht and airplane as set forth above.”)

⁹ *Id.* at pg. 10: “Epstein appears to have provided significant value to a subsequent transaction that addressed certain loans between [Leon] Black and certain family trusts for the purpose of achieving a tax benefit for his children” and at pg. 11: “Epstein estimated that this transaction had saved \$600 million in value and Black appears to have agreed with that estimate.”

¹⁰ Memorandum submitted on behalf of Leon Black by Paul, Weiss, Rifkind, Wharton & Garrison LLP to Senator Ron Wyden, Chairman, Senate Finance Committee, Jan. 16, 2023 (at pg. 5: “Finally, the question assumes that Mr. Epstein formulated this proposal. This idea was in the public domain and originated with his other legal advisors.”)

Perhaps most glaring, is that for his services Epstein was paid amounts that far exceeded what Black paid other professional advisors involved in his tax and estate planning, which includes some of the most high-priced legal counsel in the nation.¹¹ At an annualized rate of \$23 to \$26 million per year, Epstein's compensation was higher than the median CEO pay for Fortune 500 companies, which Fortune calculated at \$15.9 million for 2021.¹² These payments were well in excess of expected compensation for tax and estate planning services – particularly in a case where Epstein's work was required to be vetted by other legal and accounting professionals, at times was not viewed as useful, and included instances of substantial misrepresentations of tax laws.¹³

Conclusion

In light of Attorney General Bondi's recent claims that members of the administration are following through on President Trump's "commitment to transparency and lifting the veil on the disgusting actions of Jeffrey Epstein and his co-conspirators,"¹⁴ I urge you to promptly comply with my request for documents related to the matters identified in this letter and any other material related to individuals, financial institutions, attorneys or agents that may have known about or facilitated the financing of Epstein's illegal activities. Accountability for those who helped finance Epstein's trafficking of underage women is long overdue. The DOJ and Treasury Department have a moral obligation to follow the money and to demonstrate to the public that they will not cover up any information related to individuals or entities involved in these illegal acts. This must include a proper review into whether major U.S. financial institutions turned a blind eye to the movement of mountains of cash were likely used to pay for Epstein's operations.

Thank you for your attention to this important matter. Should you have any questions or wish to discuss this request, please do not hesitate to contact me or my staff.

Sincerely,

Nevertheless, Mr. Epstein tried to take credit for the idea and secure compensation.")

¹¹ Apollo Global Management, Inc. *Investigation of Epstein/Black Relationship and Any Relationship Between Epstein and Apollo Global Management*, available online at <https://www.sec.gov/Archives/edgar/data/1411494/000119312521016405/d118102dex991.htm> (At pg. 17: "It is clear that the compensation paid by [Leon] Black to Epstein far exceeded any amounts Black paid to his other professional advisors.")

¹² <https://finance.yahoo.com/news/top-10-highest-paid-ceos-110400063.html>

¹³ Apollo Global Management, Inc. *Investigation of Epstein/Black Relationship and Any Relationship Between Epstein and Apollo Global Management*, available online at <https://www.sec.gov/Archives/edgar/data/1411494/000119312521016405/d118102dex991.htm> (At pg. 3, "not all of Epstein's advice was useful"; at page 4, "such advice was vetted consistently by Blacks' other advisors, including Family Office employees, Paul Weiss, and other outside legal, accounting, and tax professionals"; at page 11, "[Mr. Epstein's] ideas would appear plausible at face value, but did not hold up under scrutiny"; at page 17, "Black was under the misconception that his payments to Epstein would be tax deductible ('sixty cent dollars') because this is what Epstein had told Black.")

¹⁴ *Attorney General Pamela Bondi Releases First Phase of Declassified Epstein Files*, U.S. Department of Justice, Feb. 27, 2025, online at <https://www.justice.gov/opa/pr/attorney-general-pamela-bondi-releases-first-phase-declassified-epstein-files>

Ron Wyden

Ron Wyden
United States Senator
Ranking Member, Committee
on Finance