# Him Too? Analyzing the Effects of Epstein Connections

Marina Gertsberg[*], Michaela Pagel[†], and Ekaterina Volkova[‡]

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**Abstract**

Does proximity to a powerful but severely compromised individual expand a firm's access to elite networks, or contaminate its boardroom with tolerance for misconduct? The Epstein files, over 1.3 million DOJ documents released between September 2025 and January 2026, let us study this question directly. Searching the files for the CEOs and directors of U.S. public firms and classifying contact with a large language model, we identify 841 directors with frequent contact with Jeffrey Epstein. We establish three results. First, S&P 500 firms tied to Epstein in post-release news coverage lost 3.7% over three trading days. Second, Epstein-mediated ties substantially densify the corporate board network. Third, firms with more Epstein-connected directors experience significantly more governance, employee, and total misconduct incidents, regulatory actions, and litigation. Mechanism tests indicate that gains in a firm's own network centrality do not predict misconduct, whereas exposure to other Epstein-connected boards through shared directors does. Proximity to a depraved individual reaches the boardroom by exposing firms to tainted peers, not by improving their network position.

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[*]University of Melbourne. marina.gertsberg@unimelb.edu.au
[†]Washington University's Olin Business School, NBER, and CEPR. E-mail: mpagel@wustl.edu
[‡]University of Melbourne. ekaterina.volkova@unimelb.edu.au.

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# 1 Introduction

The January 30, 2026 release of the Epstein files by the U.S. Department of Justice (DOJ) brought unusual public scrutiny to an elite social network organized around Jeffrey Epstein, a convicted sex offender whose relationships extended across business, academia, and politics.

The release comprised more than three million pages of PDF documents, including emails, schedules, scanned records, and images, as well as thousands of videos.[1] While the central harm in this case was borne by Epstein's victims, the files provide a rare empirical record of a powerful network of people and their institutions. We use this record to ask a narrower corporate finance question: does proximity to a tainted but influential actor expand or contaminate the boardroom?

CEOs and directors shape how firms respond to strategic, legal, reputational, and personnel challenges, and their judgments help define the boundaries of acceptable conduct within the organization. Corporate boards are intertwined: directors sit on multiple boards, carrying information and practices across firms. Existing data captures many of these formal ties and shared attributes but the Epstein files add something rarer: a record of informal contact with an outside actor whose relationships cut across the corporate governance network.

The files reveal Epstein in two related but distinct roles. As a *broker*, he connected otherwise separate corners of the board network, introducing his contacts to figures well beyond their own circles.[2] Figure 1 captures this reach: a single day in his calendar includes meetings with people linked to Goldman Sachs, Deutsche Bank, Apollo Global Management, and several other public-company boards. As a *fixer*, he intervened directly in sensitive business and personal matters for prominent contacts.[3] The communications bear this out: many concern legal, regulatory, and reputational disputes, and the emails in Table A1 show him negotiating and advising on contacts'

[1] Official DOJ statement on compliance with the Epstein Files Transparency Act: https://www.justice.gov/opa/pr/department-justice-publishes-35-million-responsive-pages-compliance-epstein-files.

[2] See https://www.cnn.com/2026/02/18/us/les-wexner-epstein-files-ohio-invs.

[3] See https://www.bloomberg.com/news/features/2026-02-13/the-leon-black-files-epstein-was-a-fixer-for-billionaire-s-deepest-secrets.

behalf.

The consequences of these two roles, broker and fixer, are theoretically ambiguous, and each points to a distinct mechanism. As a broker, Epstein may have placed connected directors in more central network positions, a channel we call *network expansion*. A large literature shows that such positions can create informational and strategic advantages (Granovetter, 1973; Burt, 1992; Hochberg, Ljungqvist, and Lu, 2007; Cai and Sevilir, 2012; Haselmann, Schoenherr, and Vig, 2018). As a fixer, his willingness to disregard legal and ethical boundaries may have transmitted norms as well as information, making such conduct appear more acceptable or less costly (Bandura, 1999), a channel we call *norm contagion*. Prior work shows that misconduct and governance practices spread through peer exposure and board interlocks (Bizjak, Lemmon, and Whitby, 2009; Bouwman, 2011; Fracassi and Tate, 2012; Chiu, Teoh, and Tian, 2013; Khanna, Kim, and Lu, 2015; Dimmock, Gerken, and Graham, 2018). Which force better describes Epstein's corporate network is an empirical question.

To study this question, we reconstruct Epstein's connections to corporate leadership from the underlying documents. We assemble the universe of all 92,698 CEOs and directors serving at U.S. public firms between 2006 and 2019 and search their names across the 1.3 million text-bearing documents in the DOJ release. Because a name appearing in a document need not indicate a meaningful relationship, we use a large language model (LLM) to distinguish direct communication and meetings from incidental mentions. At the core of the paper's empirical analysis are the 841 *frequent-contact directors* who appear in at least five documents recording such contact.

Our empirical analysis proceeds in three steps. The first two establish the stakes and structure of Epstein's corporate network: stock-price reactions to the disclosure, and the network of board connections the files reveal. The third addresses the question at the heart of the paper: whether these ties merely expanded corporate networks or also transmitted tolerance for misconduct.

First, we examine market reactions when Epstein connections became publicly salient following the January 30, 2026 DOJ disclosure. We systematically search post-release news coverage for every S&P 500 firm and use LLM-based verification

to identify explicit links to Epstein. Firms identified in this process experienced cumulative abnormal returns of $-3.7\%$ over three trading days under a Fama–French three-factor model. Investors therefore viewed revealed associations with Epstein as relevant for firm value. Yet the news captured only a small fraction of these ties: searching the classified DOJ documents, we identify more than four times as many Epstein-connected S&P 500 firms as appear in the news, motivating our examination of the broader underlying network.

Second, we establish that Epstein was an important connector within corporate America. Adding Epstein-mediated links makes the S&P 500 board-interlock network nearly eight times as dense and reduces the average distance between firms to fewer than two steps, with the largest increases in connectivity concentrated in finance and technology. The magnitude is economically meaningful: Epstein ties generate greater network densification than shared alumni affiliations with the elite Ivy League universities Yale or Princeton. Thus, the associations penalized by investors were not isolated ties; collectively, they formed a network that materially connected corporate boards.

Third, we examine what traveled through these connections. The email communications suggest that Epstein positioned himself, and was sometimes sought out, for advice on sensitive legal, regulatory, and reputational matters. Given his own record of crossing legal and ethical boundaries, such advice may have encouraged similarly questionable responses to corporate problems. This motivates our focus on observable corporate incidents. Using RepRisk, we examine total, governance, and employee-related incidents from 2007 to 2019. Our main exposure measure captures directors with repeated documented contact over a rolling three-year window.

We find that firms with greater board exposure experience significantly more incidents. With firm and year fixed effects, one additional frequent-contact director is associated with 1.57 more total incidents, including 0.85 governance and 0.34 employee incidents annually. These specifications compare changes within the same firm over time, absorbing persistent differences between firms that selected into Epstein's network and those that did not. The relationship also extends beyond RepRisk to the counts of Violation Tracker financial-offense actions, federal-litigation

securities cases, federal-litigation Racketeer Influenced and Corrupt Organizations Act (RICO) cases, and employment-misconduct settlements.

The most straightforward alternative explanation for these associations is selection: poorly governed firms may both tolerate misconduct and be more willing to attract Epstein-connected directors. Our design addresses this in two ways. First, firm fixed effects absorb persistent differences between firms that entered Epstein's circle and those that did not, so identification comes from changes within the same firm over time. These estimates are robust to adding industry-by-year fixed effects, which further rule out time-varying shocks to industries where Epstein ties concentrate. Second, corporate incidents decline after the death of an Epstein-connected director involuntarily removes that individual from the board, a shock unlikely to reflect firm-level selection.

We then use the board-interlock network to ask which feature of Epstein ties matters. *Network expansion* captures the improvement in a firm's eigenvector-centrality rank when Epstein-mediated links are added; *norm contagion* captures exposure to Epstein-connected firms through shared directors. Estimating both jointly while controlling for direct contact, we find that increased centrality does not predict incidents, whereas exposure through neighboring boards consistently predicts more total, governance, and employee incidents. Because this indirect exposure predicts incidents even after controlling for a firm's own Epstein ties, it further limits a pure-selection interpretation. What matters for conduct is thus not the added connectedness from Epstein ties, but exposure to tainted peers.

We validate this distinction using the language of directors' emails. Within the same director, network expansion is associated with more formal communication, consistent with greater professional-network engagement, whereas contagion is associated with less formal communication, consistent with more permissive interactions. These opposing patterns provide independent evidence that the two measures capture different dimensions of network exposure rather than alternative measures of connectedness.

Our findings hold across alternative fixed-effects and count-data models, exposure windows of two to five years measured at annual or quarterly frequency, stricter contact

thresholds, alternative treatments of common surnames, classifications produced by two LLMs, Claude and DeepSeek, and alternative definitions of network expansion and contagion. Selection into Epstein's circle remains an important part of the interpretation, but it cannot readily account for the full pattern: incidents rise and fall with exposure within the same firm, neighboring-board exposure predicts incidents beyond a firm's own ties, and the involuntary removal of connected directors reduces incidents. Taken together, the evidence identifies norm contagion as an important channel through which proximity to a bad actor reaches the boardroom.

## Literature Review

Our paper connects three literatures: the value and governance consequences of elite networks, the transmission of misconduct through professional ties, and the reputational consequences of association with a convicted child sex offender.

First, a large literature shows that social networks provide information, access, and influence (Granovetter, 1973; Burt, 1992; Granovetter, 1985). In corporate settings, connections improve investment performance and convey information (Hochberg et al., 2007; Cohen, Frazzini, and Malloy, 2008), while political and executive networks can generate substantial private benefits (Fisman, 2001; Engelberg, Gao, and Parsons, 2013; Haselmann et al., 2018). Board networks may also weaken governance. Busy directors monitor less effectively (Fich and Shivdasani, 2006), CEO–director ties reduce board oversight (Fracassi and Tate, 2012), and CEO connectedness facilitates corporate fraud (Khanna et al., 2015). We contribute by studying a network organized around an external broker whose communications with corporate leaders can be directly observed. This setting allows us to examine both the access created by elite ties and the conduct associated with them.

Second, our paper relates to evidence that governance practices and misconduct spread through social and professional networks. Corporate policies propagate through overlapping directors (Bouwman, 2011; Davis, 1991); option backdating and earnings management diffuse across board interlocks (Bizjak et al., 2009; Chiu et al., 2013); and individual misconduct responds to coworkers and local professional culture

(Dimmock et al., 2018; Parsons, Sulaeman, and Titman, 2018; Egan, Matvos, and Seru, 2019; Clifford, Ellis, and Gerken, 2025). Related work emphasizes social learning and perceived norms as mechanisms through which peer behavior changes individual conduct (Bandura, 1977; Cialdini and Trost, 1998; Bicchieri, 2006; Bandura, 1999; Holzman, Miller, Rennekamp, and Sauciuc, 2026; Christakis and Fowler, 2007; Centola, 2010). We extend this literature by separating two features that usually move together: the improvement in network position created by new ties and exposure to the conduct of connected peers. Direct Epstein ties substantially expand the corporate network, but only indirect exposure through neighboring boards predicts misconduct. This distinction identifies norm contagion, rather than connectedness itself, as the dimension of elite networks associated with adverse corporate outcomes.

Third, we relate to research on the consequences of corporate scandals and misconduct revelations. Sexual-misconduct allegations reduce firm value (Mooibroek and Verschoor, 2021), and investor responses depend on firms' perceived cultures (Billings, Klein, and Shi, 2022; Lins, Roth, Servaes, and Tamayo, 2024). Scandals can also affect organizations and individuals beyond those directly implicated (Luo and Zhang, 2022; Gertsberg, 2025; Gurun, Stoffman, and Yonker, 2018). Our event study contributes evidence that investors penalize firms when associations with a convicted child sex offender become publicly salient. More importantly, we show that these associations are not only reputational: they map into the structure of the corporate network and predict governance and employee incidents, litigation, and enforcement outcomes over time.

Our central contribution is therefore to show that proximity to a bad actor can carry real negative effects on firms. The scale of the DOJ disclosure allows us to reconstruct direct communications and meetings rather than infer relationships from shared affiliations alone, and even explore the nature of communication. Combining these ties with board interlocks, we distinguish the expansion of elite access from the transmission of norms and show that adverse corporate conduct follows the latter.

# 2 Collection and Classification of Epstein Files

We use the dataset released by the DOJ from September 2025 to the end of January 2026. The documents are provided in two formats: PDF and video files. The PDF documents include scanned photos and images, emails, and additional materials such as court filings. In this paper, our primary focus is on communication and textual documents. To place the document release in context, Table 1 presents the key events in the Epstein case, including the major legal milestones and the three DOJ disclosure dates.

We restrict our analysis to PDF files. In total, the disclosure contains 1,380,952 documents. Because many of these PDFs consist solely of images or scanned material without extractable text, we further filter the data to include only PDFs containing at least 100 characters of text. This restriction reduces the sample from 1,380,952 to 1,293,753 documents.

Figure 2 plots the distribution of documents across datasets and disclosure dates. The figure shows that nearly all text-bearing PDF documents were released on January 30, 2026. The earlier tranches contain only a negligible number of usable documents, whereas the third tranche includes the three dominant datasets and accounts for almost the entire textual corpus. This is important because it implies that, from the perspective of communication evidence, the main information release occurred in the third data dump.

## 2.1 Connections to Public-Company CEOs and Board Members

**Sample construction.** Our main sample comprises all U.S. publicly listed firms appearing in Compustat with non-missing total assets at any point from January 2006 through December 2019. The sample begins in 2006, the year of Epstein's first arrest, and ends in 2019, the year of his death.[4]

[4]Epstein was first arrested on July 27, 2006, following a Palm Beach County grand jury indictment on a state felony charge of solicitation of prostitution. See U.S. Department of Justice, Office of Professional Responsibility, *Report on the Department of Justice's Resolution of Its 2006–2008*

Merging BoardEx director histories with Compustat fundamentals yields 9,116 firms with at least one CEO or director observed between 2006 and 2019. This full Compustat panel underlies the corpus-level descriptive statistics in this section and the corporate-incident analyses in Section 3.3. The two other analyses use narrower samples. The event study in Section 3.1 employs the 500 firms in the S&P 500 on January 30, 2026, the date of the DOJ release. The network analysis in Section 3.2 uses the 247 firms that remained continuously in the S&P 500 from 2006 through 2019.

**Initial Search for CEO and Board Member Names.** Using BoardEx, we identify 92,698 unique individuals who served as CEOs or board members at sample firms between 2006 and 2019.

Using the list of all CEOs and directors, we construct standardized search names from the BoardEx profile fields. We remove generational suffixes, omit middle names and initials, and combine each individual's primary forename with their surname. When BoardEx reports a preferred or usual name, we search that version separately. We exclude records that cannot produce a sufficiently informative name, such as profiles containing only initials. We then search the lower-cased document text for each standardized name, requiring names to appear as complete words to reduce false matches. The initial name search returns 143,640 documents that mention at least one sample CEO or director, 11.1% of the 1,293,753 text-bearing files, with 13,450 unique board members (i.e., 14.5% of those searched) appearing in at least one document. These documents are heterogeneous in form: alongside emails, the search surfaces schedules and agendas, visitor logs, itineraries, legal filings, memoranda, and scanned attachments. Many reference more than one individual; a document names 2.3 sample directors on average, 35% name at least two, and a single agenda can name far more. The schedule reproduced in Figure 1, for instance, is part of a file

*Federal Criminal Investigation of Jeffrey Epstein* (2020), available at https://www.justice.gov/opr/page/file/1336471/dl; *Jeffrey Epstein*, Wikipedia, https://en.wikipedia.org/wiki/Jeffrey_Epstein; and *A Timeline of the Jeffrey Epstein Investigation*, U.S. News & World Report, https://www.usnews.com/news/politics/articles/2025-12-19/a-timeline-of-the-jeffrey-epstein-investigation-and-the-fight-to-make-the-governments-files-public.

that reports Epstein meetings for the whole month, mentioning twenty individuals in our sample. Because the files are released without structured metadata, neither a document's type nor an email's date is available as a field; both must be read from the text. We therefore use the LLM both to classify each document and to extract email dates, which identifies 126,856 unique emails within the time interval of interest.

Name matching is especially susceptible to false positives for common surnames, since a document may refer to a different individual who happens to share the name. Email addresses cannot resolve this ambiguity: we identify directors from BoardEx, which records names rather than email addresses, and in the files themselves the counterpart's email address is redacted in the vast majority of cases, leaving us with only a name and title.[5] Accordingly, our main analyses exclude directors whose surnames are among the 100 most common in the 2000 U.S. Census, a cutoff common enough to drop surnames such as Morales, Sullivan, and Russell.[6]

Because the raw matches also include incidental references, we then classify the underlying documents to identify evidence of direct contact with Epstein.

**Document Classification.** The initial name search is intentionally broad and captures emails, visitor logs, itineraries, legal records, attachments, and incidental references. Before classification, we collapse duplicate matches to unique name–document pairs. We then classify each pair using Claude Haiku 4.5 and a custom prompt. The model returns structured JSON identifying the document type and date, whether the matched individual communicated directly with Epstein, and whether the document explicitly records a meeting between them.

The prompt applies strict evidentiary rules. Direct communication is coded only when Epstein and the matched individual are identifiable as correspondents, including as email recipients, copied recipients, or participants in quoted message chains. A meeting is coded only when the document explicitly schedules, confirms, or refers to an in-person meeting involving both individuals. The corresponding fields are

[5]We cannot use firm names to validate individual matches because the documents generally mention individuals without jointly identifying the companies on whose boards they served.

[6]We retain the unrestricted sample as a robustness check in Table A7.

restricted to `yes`, `no`, or `unsure`, with missing information recorded as `null`. These restrictions limit the model's ability to infer contact from context alone. Appendix A presents the complete prompt.

This procedure converts the raw name matches into a structured communication sample. Of the 126,856 dated emails between Epstein's first arrest and his death that mention at least one sample CEO or director, 90,546 record direct communication or a meeting with Epstein, and 75,274 of these involve a director whose surname is not among the 100 most common in the 2000 U.S. Census. Figure 3 Panel A reports these 75,274 contact emails as 5.8% of the 1,293,753 text-bearing DOJ documents, and Panel B reports that 2,338 of the 82,540 non-top-100-surname directors (2.8%) appear in at least one contact-flagged email. Contact is concentrated, however: most of these directors appear in only a few documents, and the firm-level analysis focuses on the 841 who appear in five or more. Given the size of the corpus and director universe, these shares represent a substantial volume of communication involving many corporate leaders. The classified records can be dated and linked to directors, their board positions, and firm outcomes.

## 2.2 Descriptive Statistics

Figure 4 traces the evolution of Epstein's documented corporate contacts from July 27, 2006 through August 10, 2019. Panel A reports the annual number of unique emails classified as direct communication with Epstein or evidence of an explicit meeting. Panel B reports the number of public-company CEOs and directors linked to such emails in each year.

Contact activity, measured by email volume, peaks in 2013 and remains elevated through 2018, while the number of distinct directors peaks in 2014 and remains substantial throughout much of the decade. Notably, the network expanded and persisted after Epstein's 2008 conviction, when his criminal conduct was already a matter of public record.

Figure 5 disaggregates the classified emails by type of contact over the period from July 27, 2006 through August 10, 2019. Panel A reports unique emails, while

Panel B reports unique directors after excluding the 100 most common U.S. surnames. Of the 126,856 emails in the period, 78,385 (61.8%) contain direct communication between Epstein and a matched individual, 34,291 (27.0%) document an explicit meeting, and 90,546 (71.4%) contain either form of contact.[7] Panel B identifies 2,301 directors with direct communication, 743 with documented meetings, and 2,338 with either form of contact.

These measures capture complementary dimensions of Epstein connections. *Direct communication* records observed correspondence, *meetings* capture documented in-person interaction, and *contact* combines either form of evidence. We use all three measures in the subsequent analyses.

Figure 6 examines which director characteristics distinguish those who were connected to Jeffrey Epstein from those who were not, reporting both the univariate connection rate for each characteristic (with a two-sample $t$-test) and the average marginal effect from a joint probit regression. Against an unconditional connection rate of 3.1%, three characteristics raise the probability of connection substantially: (i) participation in the World Economic Forum at Davos (+7.4 percentage points), (ii) a last name classified as Jewish by a name-ethnicity classifier (+4.2 percentage points), and (iii) a professional network in the top BoardEx decile (+2.2 percentage points). A second group raises the probability more modestly but still significantly: an Ivy League degree (+1.8 percentage points), a board seat at a firm headquartered within 50 miles of an Epstein property (+1.4 percentage points), serving on a technology-firm board (+0.9 percentage points), and having been a CEO (+0.5 percentage points). Female board members, by contrast, are significantly less likely to be connected, by 1.6 percentage points.

[7] Some meetings are documented in messages between Epstein and an assistant or through schedules and agendas, without direct correspondence between Epstein and the individual attending the meeting.

# 3 Analyses and Results

## 3.1 Stock Market Reactions to the Epstein File Release

We begin by asking how investors responded when corporate leaders' connections to Epstein became publicly visible. This provides an initial measure of the stakes of proximity to a convicted actor. A negative response would indicate that public association carried reputational costs and raised concerns about the judgment or norms of the firms involved.

We focus on January 30, 2026, when the DOJ released the largest tranche of files, as shown in Figure 2. Because journalists needed time to process the unprecedented volume of information,[8] we identify publicly salient connections through news coverage during the following two weeks. For each of the 500 firms in the S&P 500 on the disclosure date, we use the Tavily Search API to find articles mentioning the firm together with Epstein and GPT to verify that the results explicitly establish a connection.[9] We construct an alternative classification using the Perplexity Search API.

Using daily Compustat returns, we calculate market-adjusted abnormal returns relative to the value-weighted market return.[10]

Figure 7 shows that the two groups follow similar paths before January 30. Following the release, cumulative abnormal returns decline sharply for firms appearing in Epstein-related news, with the gap widening as the disclosure is processed. Table A2 reports corresponding Fama–French three-factor CARs of $-3.73\%$ over $[0, 3]$ and $-4.85\%$ over $[0, 5]$. For the median S&P 500 firm, with a market capitalization of approximately \$37.8 billion, the three-day estimate corresponds to about \$1.4

[8] See https://www.nytimes.com/2026/02/12/insider/jeffrey-epstein-files-documents.html.

[9] The sample includes foreign-incorporated firms that belonged to the index.

[10] We use Compustat Daily because the event occurs in 2026, while our CRSP coverage ends in 2024. Returns incorporate dividends and split-adjusted prices, and multiple share classes are aggregated using value-weighted returns. For robustness, we estimate Fama–French three-factor abnormal returns using loadings from the 240 trading days ending eleven days before the disclosure. Because published factors were not yet available for the 2026 event period, we construct them following Fama and French (1993).

billion in market value. The result holds under the alternative news classification, market-adjusted and factor-adjusted returns, industry fixed effects, and the exclusion of firms filing 10-Q reports during the event window.

These reactions are consistent with stigma by association. Visible ties to a highly questionable figure may impose reputational penalties by raising concerns about firms' judgment, screening, or tolerance of legally and ethically discredited conduct (Devers, Dewett, Mishina, and Belsito, 2009; Wiesenfeld, Wurthmann, and Hambrick, 2008). This is particularly relevant because many firms were not accused of wrongdoing themselves but became associated with Epstein through their executives and directors. The event study therefore establishes the significance of revealed ties and motivates our examination of the broader corporate network beneath the most publicly salient connections.

#### From Public Salience to Documented Exposure

News coverage captures the connections that became salient to investors, but not necessarily the full reach of Epstein's corporate network. Figure 8 compares the S&P 500 firms identified through the Tavily and Perplexity news searches (blue bars) with those identified from the classified DOJ documents using contact, direct communication, and meeting measures (red bars).

The document-based measures identify more than four times as many connected firms as the news searches. Media attention was concentrated among the most prominent associations, while the files reveal a much broader set of documented interactions. Figure 8 therefore connects the event study to the analyses that follow: news coverage identifies the ties visible to investors at the time of disclosure, whereas the classified documents allow us to reconstruct the underlying corporate network and examine what these connections carried into the boardroom.

### 3.2 Epstein Connections and Corporate Networks

The event-study evidence shows that investors viewed publicly revealed Epstein ties negatively, while the document-based evidence shows that these ties extended far

beyond those reported in the news. We next examine whether these relationships were isolated associations or formed a broader structure through which proximity to Epstein could extend across corporate boards. This distinction is central to our question: keeping bad company may matter not only for those directly connected, but also for firms exposed through shared directors and neighboring boards.

Figure 9 presents the network of 247 S&P 500 firms continuously listed from 2006 through 2019. Panel A connects firms that share a CEO or director. Panel B adds an Epstein-mediated link between firms that each employed an Epstein-connected director when the documented contact occurred. Requiring contact to overlap with board tenure ties the relationship to the firm represented by the director at that time.

Adding these links increases the number of edges from 1,518 to 11,870 and raises network density from 0.050 to 0.391, making the network nearly eight times as dense. The average path length falls from 2.66 to 1.72, while the clustering coefficient rises from 0.16 to 0.94. Epstein ties therefore did more than connect a collection of individuals to the same broker: they created a dense layer of proximity across corporate boards.

Appendix Table A3 shows substantial restructuring across industries, with the largest increases in connectivity occurring in finance and technology. In finance, Epstein ties primarily increased density among firms already connected through board interlocks. In technology, they also bridged previously separate clusters. Other sectors display both forms of restructuring, generally to a lesser degree. The effect is smallest in energy and consumer durables, where comparatively few firms had Epstein-connected directors.

Figure 10 puts this magnitude in perspective by comparing Epstein ties with shared affiliations to Harvard, Yale, and Princeton. Because university affiliations have no firm-specific date, the benchmark applies the same time-invariant construction to all four networks: a director's affiliation, including contact with Epstein, is assigned to every board position held during the sample period. Relative to the board-only network, Epstein ties raise density from 0.050 to 0.594, making the network nearly 12 times as dense. The corresponding multiple is 18.8 for Harvard, compared with 5.7 for Yale and 5.0 for Princeton. Epstein's role as a corporate connector was therefore

comparable in scale to Ivy League affiliations.

Overall, Epstein ties materially reshaped the inter-firm network, both by increasing connectivity within sectors and by linking previously separate clusters. We next test whether firms with directors who had direct contact with Epstein experience more corporate incidents. We then use the network structure documented here to distinguish the effects of expanded connectedness from norm contagion through neighboring Epstein-linked boards.

## 3.3 Epstein Connections and Corporate Incidents

### Baseline Analysis

The preceding analyses establish that Epstein's corporate ties were both consequential and extensive. Investors reacted negatively when prominent connections became public, and the underlying documents reveal a network significantly increasing the density of existing board networks. We now turn to the paper's central question: whether proximity to Epstein is associated with observable corporate misconduct.

The communications themselves motivate our choice of outcomes. As Appendix Table A1 illustrates, Epstein was sometimes sought out as an intermediary or advisor in lawsuits and other sensitive legal, regulatory, and reputational situations. Given his own willingness to cross legal and ethical boundaries, his involvement could have made aggressive or questionable responses appear more acceptable or practicable. We therefore examine whether proximity to Epstein is associated with concrete episodes of corporate misconduct.

We use RepRisk, which systematically identifies adverse corporate incidents reported by media, regulators, and NGOs.[11] These data capture events that attract external scrutiny, including executive misconduct, fraud, corruption, discrimination, labor disputes, and workplace-safety failures. We examine annual counts of total, governance-related, and employee-related incidents.

Our analysis uses the full Compustat firm universe rather than only S&P 500 firms.

[11] For details on the RepRisk methodology, see https://www.reprisk.com/insights/resources/methodology.

We focus on directors with frequent documented contact, defined as appearing in at least five contact-flagged DOJ documents, and exclude directors whose last names are among the 100 most common in the 2000 U.S. Census to conservatively address false-positive name matches. These restrictions lead to a set of 841 frequent-contact directors.

For each firm-year, we count directors (contemporaneously serving) who had documented contact during the rolling three-year window ending in that year. We distinguish between having any contact, direct communication, and meetings.

Table 2 reports summary statistics for the resulting sample of 24,518 firm-year observations across 2,285 firms. Epstein exposure is uncommon but economically meaningful: the average firm-year has 0.073 contact directors, while the median is zero. Firms experience an average of 2.77 total RepRisk incidents annually, including 1.00 governance and 0.51 employee incidents.

Table 3 presents the baseline results based on the firm-year panel. The first three columns compare firms with Fama–French 48 industry-by-year fixed effects. The remaining columns include firm and year fixed effects and therefore compare changes in exposure and incidents within the same firm over time. Standard errors are clustered at the firm level.

Across both specifications, greater board exposure to Epstein is associated with significantly more corporate incidents. Looking at Panel A, in the firm fixed-effects specifications, one additional contact director is associated with 1.57 more total incidents annually, of which 0.85 are governance incidents and 0.34 are employee incidents. Panel B shows estimates based on direct communication, which are nearly identical. Panel C shows that meetings with Epstein are also positively associated with all three outcomes, although the within-firm estimates are smaller and less precise, consistent with meetings providing a rarer source of variation. Finally, Panel D replaces the LLM-classified meeting measure with one read directly from Epstein's dated calendar agendas, which cover 2,957 of the 4,763 days (62%) in our window. The two measures rest on different evidence: the LLM infers meetings from free-text emails (Figure A1), whereas the agenda measure takes them from structured schedules (Figure 1). The agenda measure thus offers a check that does

not depend on the language model, and underscores the granularity of the data. It is positive and significant for total, governance, and employee incidents under both fixed-effects structures, with magnitudes comparable to or larger than the LLM measure, confirming that the baseline relationship is not an artifact of the classification step.

The firm fixed-effects estimates absorb persistent differences between firms that selected into Epstein's network and those that did not. The results therefore show that, within the same firm, periods of greater board exposure to Epstein coincide with more governance, employee, and overall incidents.

To further address selection, we examine how incidents change after the death of a frequently connected director associated with the firm. We compare incident rates during years two through five after the death with other years among firms that had hosted such a director, while controlling for contemporaneous Epstein exposure. Beginning the post-death window two years after the event allows the immediate governance transition to pass, while ending it after five years provides a clearly defined medium-term window. Appendix Table A4 shows that total and employee-related incidents decline after these deaths under both fixed-effects specifications, while the governance estimates are negative but less precise. Because this analysis relies on a limited number of events, we interpret it cautiously as supporting a causal effect of board-level Epstein exposure on corporate incidents.

Taken together, the evidence points to a persistent relationship between board-level proximity to Epstein and adverse corporate conduct, extending beyond the reputational penalties observed when these connections became public.

### Alternative Legal and Enforcement Outcomes

RepRisk provides broad coverage of adverse corporate events, but its reliance on public reporting raises the possibility that the baseline results partly reflect greater scrutiny of Epstein-connected firms. We therefore test whether the relationship extends to independently recorded litigation, regulatory actions, and settlements that capture more formal instances of corporate misconduct.

These outcomes also complement our proposed interpretation. Epstein presented

himself as a financial advisor and was consulted on sensitive financial, legal, and reputational matters as reported in the email examples in Table A1. If exposure to Epstein shaped how directors approached such problems, its consequences may be particularly visible in financial and legal misconduct. This possibility is consistent with evidence that corporate fraud, earnings management, and other questionable financial practices spread through professional peers and board interlocks (Bizjak et al., 2009; Chiu et al., 2013; Kedia, Koh, and Rajgopal, 2015; Khanna et al., 2015; Dimmock et al., 2018).

We examine four outcomes. *Financial offenses* count financial-regulatory actions recorded in Violation Tracker. *Securities cases* count federal lawsuits in which the firm is a defendant, while *RICO cases* indicate whether the firm faces a federal Racketeer Influenced and Corrupt Organizations Act case; both measures come from Billings, Holthausen, Petrovits, and Wang (2026). Finally, *employment-misconduct penalties* measure the logged value of non-wage employment settlements and damages recorded in the Zywave employment practices liability database (EPLI). The timing of each outcome depends on the date its source records. For cases with a known filing date, the securities and RICO lawsuits from Billings et al. (2026), we use those filed in year $t+1$. For actions reported only at their penalty or settlement date, the Violation Tracker offenses and the EPLI settlements, we follow Lowry and Volkova (2026) and cumulate over years $t+1$ through $t+3$ to account for the lag between the underlying conduct and its eventual recording.

Table 4 shows a consistently positive relationship under both fixed-effects specifications. With firm and year fixed effects, one additional frequent-contact director is associated with 0.015 more financial-offense actions—about 65% of the variable's 0.023 sample mean. The same increase in exposure is associated with 0.031 more securities cases (a 40% increase over the 0.077 mean) and a 2.1-percentage-point higher probability of a RICO case (about 26% of its 8% base rate). For employment-misconduct settlements the dependent variable is logged, so the coefficient of 0.213 implies a roughly 24% increase in settlement dollars ($e^{0.213}-1$), rather than a level change. All four estimates are statistically significant at conventional levels.

These findings reinforce the baseline conclusion: board-level proximity to Epstein is

associated with adjudicated conduct, not merely greater media scrutiny or reputational exposure.

### Robustness

Our baseline analysis uses OLS for incident counts, constructs Epstein exposure from documents classified by the Claude Haiku 4.5 LLM using a conservative name-matching rule, and measures that exposure over a three-year annual window. Tables A5, A6, A7, and A8 test whether our results are sensitive to these choices.

Table A5 subjects the baseline to the most restrictive fixed-effects structure we can impose. The firm-and-year specification already absorbs persistent firm differences and common time shocks, but it leaves open the possibility that Epstein-connected firms cluster in industries experiencing contemporaneous shocks to misconduct, such as an industry-wide enforcement wave or reporting cycle. Adding industry-by-year fixed effects on top of firm fixed effects absorbs any such shock, so identification comes only from variation within the same firm and industry-year. The contact and direct-communication results are essentially unchanged, with all three outcomes significant; the meeting estimates remain significant for total and governance incidents but not employee, consistent with meetings being a rarer, noisier source of variation. The relationship between board-level Epstein exposure and corporate incidents therefore does not reflect time-varying industry conditions.

Table A6 addresses the count nature of RepRisk incidents by re-estimating the industry-by-year fixed-effects specifications using Poisson pseudo-maximum likelihood (PPML). PPML naturally retains observations with zero incidents and allows the conditional mean to vary proportionally with Epstein exposure. The contact and direct-communication measures remain positive and statistically significant across total, governance, and employee incidents. Meeting exposure also predicts significantly more total and governance incidents, although its association with employee incidents is less precise. The baseline findings therefore do not depend on treating incident counts as a linear outcome.

Table A7 examines robustness of the construction and classification of Epstein

exposure. Each column reports the headline firm and year fixed-effects regression for total RepRisk incidents, while the three panels vary the document classifier and the surname-cleaning decision. Column (1) raises the contact threshold from five to 50 documents, restricting the measure to especially intensive and readily identifiable relationships. Column (2) restricts the sample to 2008–2019, removing the earliest years with less-frequent documented Epstein contact. Columns (3) and (4) address alternative ways of measuring connection intensity: the former uses the logged contact count of the most intensively connected director on each board, allowing a single "bad apple" to matter, while the latter uses the logged number of frequent-contact directors, allowing the marginal effect of additional connected directors to diminish.

Panel A applies these tests using the Claude classifications with our baseline common-surname filter, showing that the results are similar under a different choice of exposure variable. Panel B reconstructs the exposure measures using an independent classification of the DOJ documents produced by DeepSeek (`DeepSeek-V4`), to guard against model-specific political bias (Aldahoul, Ibrahim, Varvello, Kaufman, Rahwan, and Zaki, 2025). Both models may carry such biases, but drawing on models with different countries of origin should attenuate them. Panel C re-runs the Claude tests with the surname filter switched off, retaining directors whose surnames are among the 100 most common in the 2000 U.S. Census. We exclude these directors from the baseline out of caution, since common surnames are more susceptible to false matches and we could not systematically infer company affiliation from the emails. The estimates are positive in all twelve specifications and statistically significant in eleven. The relationship is therefore robust to the choice of LLM, the treatment of common surnames, the contact threshold, the sample period, and the way Epstein exposure is aggregated across the board.

Finally, Table A8 probes two design choices in the exposure measure: the length of the rolling contact window and the frequency at which the firm is observed. Panel A varies the annual window from two to five years; the estimate is positive and statistically significant for all three outcomes at every window, with magnitudes rising as longer windows accumulate more contact. Panel B re-estimates at quarterly frequency using trailing windows of 8, 12, 16, and 20 quarters; the estimates remain

positive and significant throughout. The baseline relationship is therefore not an artifact of the window length or the data frequency.

# 4 Mechanisms: Network Expansion versus Norm Contagion

The baseline results show that firms experience more corporate incidents when their boards have greater direct exposure to Epstein. We next examine which aspect of his network helps explain this relationship. Epstein's connections may have affected firms through two distinct channels: by expanding their position within elite corporate networks or by exposing them to permissive norms surrounding legally and ethically questionable conduct.

The *network expansion* channel captures Epstein's role as a broker. Figure 1, for example, shows how a single day in his calendar brought together individuals associated with major financial institutions and public-company boards. Access to such contacts could improve the flow of information, resources, and opportunities. Consistent with this possibility, a broad literature shows that bridging and central positions in networks can generate informational and strategic advantages (Granovetter, 1973; Burt, 1992; Hochberg et al., 2007; Fisman, 2001; Larcker, So, and Wang, 2013). Under this interpretation, Epstein-connected directors may simply have occupied, or helped their firms attain, more central positions in the corporate network.

The *norm contagion* channel concerns what may have traveled through those connections. Networks transmit judgments about acceptable conduct as well as information. Exposure to peers who tolerate or facilitate improper behavior may reduce its perceived ethical, legal, or professional cost (Bandura, 1977; Bicchieri, 2006; Bandura, 1999). Prior research similarly shows that fraud, earnings management, option backdating, and governance practices propagate through professional peers and board interlocks (Bizjak et al., 2009; Bouwman, 2011; Chiu et al., 2013; Khanna et al., 2015; Dimmock et al., 2018; Parsons et al., 2018). Under this interpretation, firms may be affected not only by their own Epstein-connected directors, but also by

exposure to Epstein-connected firms through shared directors.

The two channels generate distinct predictions for the adverse outcomes documented above. If these outcomes primarily reflect the broader connectedness associated with Epstein's network, they should be explained by the improvement in a firm's network position when Epstein-mediated ties are added. If norm contagion is the relevant channel, incidents should instead increase with exposure to Epstein-connected firms through existing board interlocks, even after controlling for the focal firm's own Epstein ties and its gain in network position. We use these predictions to distinguish the role of expanded connectedness from the transmission of permissive norms.

## 4.1 Network Measures

We construct separate measures of the two channels using annual board-interlock networks based on rolling three-year windows. In the board-only network, two firms are connected if they share at least one director. We then create an augmented network by adding links between firms whose boards include Epstein-connected directors. Our measure of *network expansion* is the change in each firm's eigenvector-centrality percentile rank between the board-only and augmented networks, standardized within year.

We focus on eigenvector centrality because it captures recursive connectedness: firms are more central when they are connected to other well-connected firms (Bonacich, 1972). It is therefore particularly suited to measuring the higher-order change in network position created by adding Epstein-mediated links. Eigenvector centrality has been used in finance to study CEO networks (El-Khatib, Fogel, and Jandik, 2015), interdealer networks (Hollifield, Neklyudov, and Spatt, 2017), delegated investment performance (Rossi, Blake, Timmermann, Tonks, and Wermers, 2018), and online networks among firms (Emery, 2025).

Because the board-only and augmented networks use the same contemporaneous board composition, their comparison isolates the change in relative network position created by adding Epstein-mediated links. We measure this change using percentile ranks rather than centrality levels because levels are sensitive to network scale and

routine changes in board composition. The rank-based measure is scale-invariant and therefore less likely to attribute ordinary director turnover to Epstein-driven network expansion.

Our *norm contagion* measure instead uses the board-only network and captures Epstein exposure among a firm's existing board-interlock neighbors. The main measure is the average number of Epstein-connected directors serving at neighboring firms. We average across neighbors because a sum would increase mechanically with the firm's ordinary board degree, conflating exposure intensity with general connectedness. We then standardize the measure within year. Unlike direct contact, this measure does not require the focal firm's own directors to have interacted with Epstein; it captures indirect exposure transmitted through existing board interlocks.

## 4.2 Mechanism Results

Table 5 estimates the two channels jointly while controlling for the focal firm's own frequent-contact directors. This horse-race specification is important because it separates three conceptually different sources of exposure: direct contact with Epstein, the improvement in network position created by Epstein-mediated edges, and indirect exposure through neighboring boards.

The results distinguish sharply between the two network channels. *Network expansion* does not predict total, governance, or employee incidents under either fixed-effects structure. In contrast, *norm contagion* is positive and statistically significant at the 1% level for all three outcomes. With firm and year fixed effects, a one-standard-deviation increase in the average Epstein exposure of neighboring boards is associated with 0.24 more total incidents, including 0.12 governance and 0.05 employee incidents annually. The coefficient on the firm's own Epstein-connected directors also remains positive and significant, indicating that indirect exposure through neighboring boards contributes beyond direct contact.

The firm fixed-effects specifications compare changes within the same firm over time, limiting the influence of persistent differences in the types of firms that entered Epstein's circle. Controlling simultaneously for the firm's own Epstein ties further sep-

arates neighboring-board exposure from direct selection into his network. The results therefore indicate that the baseline relationship is not explained simply by Epstein-connected firms becoming more central in the corporate network. Corporate incidents instead track exposure to Epstein-connected peers through Epstein-connected individuals on other boards.

Appendix Table A9 tests whether this conclusion depends on measuring contagion by the intensity of neighboring directors' connections. It replaces the main measure with the fraction of a firm's board-interlock neighbors that have at least one Epstein-connected director, capturing the breadth rather than intensity of neighboring exposure. This alternative contagion measure remains positive and significant for total, governance, and employee incidents under both fixed-effects structures, while network expansion remains statistically indistinguishable from zero.

Taken together, the evidence is more consistent with norm contagion than with network expansion as an explanation for the adverse outcomes associated with Epstein exposure. Epstein ties materially expanded the corporate network, but the improvement in firms' network positions does not predict incidents. What matters is whether firms were connected through shared directors to other Epstein-exposed boards.

## 4.3 Contagion Validation: Directors' Communication Style

The mechanism analysis rests on interpreting expansion and contagion as distinct forms of network exposure. We therefore examine whether the two measures are associated with different changes in directors' own communication or tone used in emails. This exercise does not treat informal language as misconduct. Instead, it provides an independent validation of what the measures capture. If expansion reflects greater professional engagement with elite networks, it should be associated with more formal communication. If contagion reflects closer and more permissive social interactions, it should be associated with less formal communication.

We construct a formality score from directors' emails in the DOJ files. We use a BERT-based classifier trained on the GYAFC corpus, which contains approximately

110,000 sentences rated by human annotators as formal or informal (Rao and Tetreault, 2018). Using directors' language as a behavioral signal follows research linking managers' characteristics to their communication styles (Brochet, Miller, Naranjo, and Yu, 2019). We score each sentence, average the scores within an email, and then calculate the average for each director-year. Higher values indicate more formal language. Figure 11 presents examples from both ends of the resulting distribution. Formality scores are lower for sentences marked by casual diction, slang, contractions, typos, dropped capitalization, and emoji, and higher for sentences that open with formal salutations ("Dear Mr. Black"), use complete and grammatically standard sentences, and draw on technical or financial vocabulary, such as references to LIBOR, indemnification, or fiduciary duty.

We relate directors' communication styles to the same expansion and contagion measures used in Table 5. The measures are taken from the same year and averaged across the firms on whose boards each director serves. Director fixed effects absorb persistent differences in individual writing style, so the estimates compare changes in communication by the same director over time. The estimation sample contains 1,215 director-year observations.[12]

Table 6 shows that the two measures predict communication style in opposite directions. A one-standard-deviation increase in network expansion is associated with a 0.036 increase in formality, whereas a comparable increase in contagion is associated with a 0.028 decline. Both estimates are statistically significant at the 1% level.

These patterns support the distinction underlying our mechanism analysis. Expansion is associated with a more formal, professional register, consistent with broader engagement in elite networks. Contagion is associated with a more informal register, consistent with greater familiarity and more permissive interaction. The results demonstrate that expansion and contagion capture behaviorally different forms of network exposure, strengthening the interpretation of the incident results as evidence of norm contagion rather than expanded connectedness alone.

[12]We retain emails dated from 2006–2019 with a valid formality score and link each director-year to the contemporaneous network measures. This yields 2,031 observations across 1,186 directors. Because director fixed effects require within-director variation, directors with only one usable observation are omitted, leaving 1,215 director-year observations in the estimation sample.

# 5 Conclusion

This paper provides the first systematic analysis of Jeffrey Epstein's connections to the leadership of U.S. public companies. More broadly, it contributes to research on elite networks by studying a very influential network including a number of communications within that network, which is usually difficult to observe. The DOJ files allow us to move beyond formal affiliations and observe direct communications and meetings with a disgraced intermediary over time. Linking these records to board composition and corporate outcomes provides a distinctive setting in which to examine whether proximity to a bad actor merely expands access or also affects conduct within the boardroom.

We document three main findings. First, investors reacted negatively when prominent corporate connections to Epstein became public, indicating that such associations were viewed as consequential for firm value. Second, Epstein's relationships formed an important part of the corporate network rather than a collection of isolated personal ties. Adding Epstein-mediated links substantially increases connectivity among major U.S. firms and brings otherwise distant boards closer together. Third, firms experience more governance, employee, and overall incidents when Epstein-connected directors serve on their boards. This relationship extends to alternative measures of regulatory action, litigation, and employment misconduct.

The network analysis helps explain this last finding. Epstein-mediated ties clearly improved the network position of some firms, but those improvements are not themselves associated with more corporate incidents. Incidents are instead related to exposure through neighboring Epstein-connected boards, even after accounting for the focal firm's own direct connections. The same distinction appears in directors' communications: network expansion and neighboring-board exposure predict different changes in language within the same director over time. Together, these results are more consistent with the transmission of permissive norms through board ties than with expanded connectedness as the source of the adverse outcomes.

Selection into Epstein's circle remains part of the interpretation. Directors and firms willing to associate with him may have differed from others in ways that are

difficult to observe fully. Yet persistent firm characteristics cannot readily explain why incidents rise and fall with exposure within the same firm, why neighboring boards matter after controlling for direct ties, or why incidents decline following the deaths of connected directors. We therefore view the evidence as identifying norm contagion as an important feature of Epstein's corporate network, while stopping short of attributing every incident to the connection itself. Even if part of the relationship reflects the sorting of similarly inclined directors into Epstein's circle, documenting that such individuals clustered within and were connected across corporate boards is itself important for understanding how governance risks become embedded in elite networks.

The findings have broader implications for how corporate networks are understood. Research and governance practice often assess a director's network through its size, centrality, and access to influential people. These features capture what a network can provide, but not necessarily what it can transmit. The same ties that convey information and opportunity may also shape judgments about which responses, compromises, and boundary-crossing practices are acceptable. Evaluating a network solely by the access it creates may therefore miss an important source of governance risk.

Taken together, our findings show that elite social ties to an influential actor with a record of disregarding legal and ethical boundaries can matter for firms in multiple ways: they can trigger immediate shareholder losses when they become publicly visible, reshape the architecture of corporate networks, and predict worse corporate conduct. More broadly, the paper highlights how networks that appear valuable because they provide access and connectivity may also embed firms in social environments that carry substantial governance and reputational costs.

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# Figures

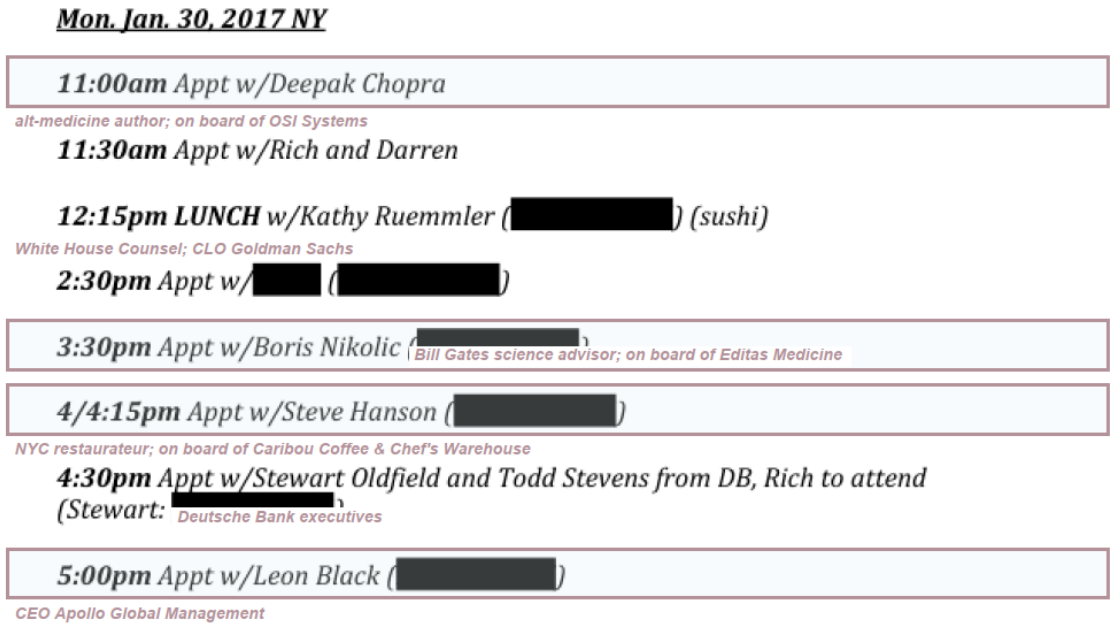



**Figure 1:** Example of Jeffrey Epstein's schedule on January 30, 2017, extracted from emails.

Pink annotations indicate the positions held by individuals with whom he had scheduled meetings. Agenda items highlighted in yellow correspond to individuals identified in our sample. The DOJ document number is `EFTA00285348`.

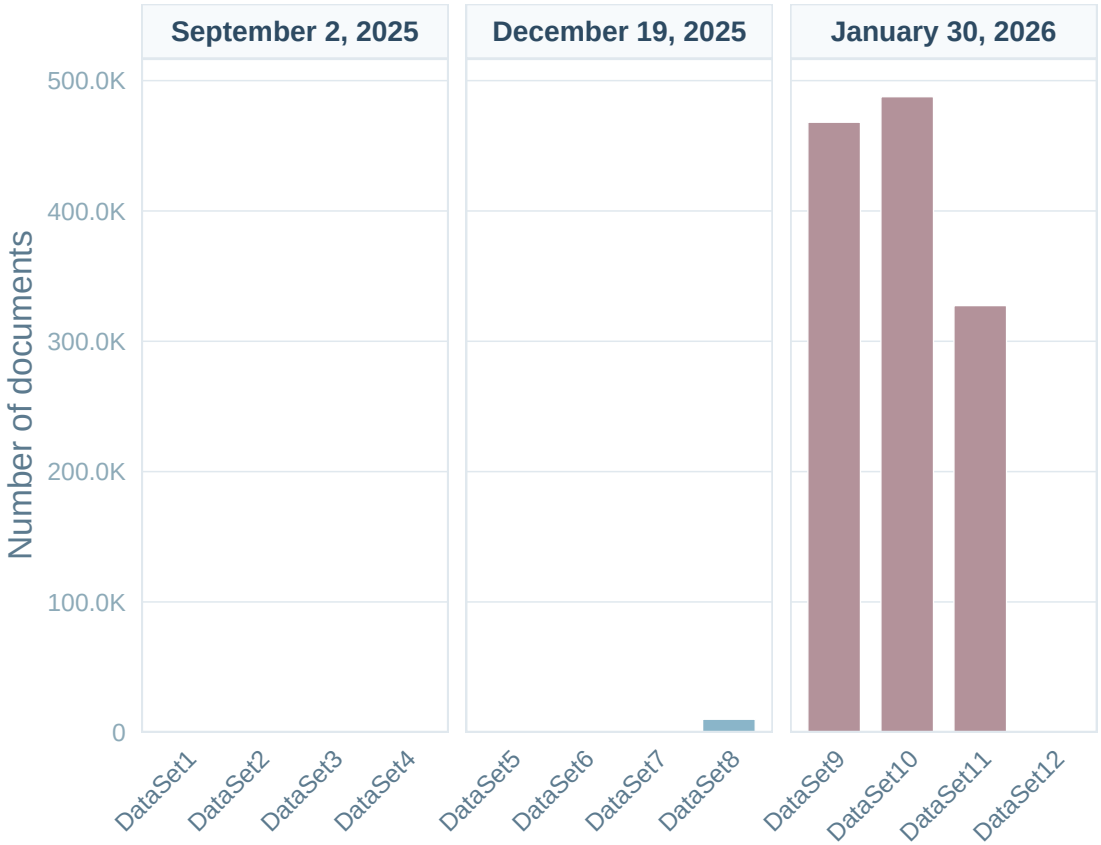



**Figure 2:** Document Counts across DOJ Disclosure Tranches

This figure reports the number of PDF documents containing at least 100 characters of extractable text in each DOJ dataset. Bars are grouped by disclosure date: September 2, 2025; December 19, 2025; and January 30, 2026. Bar height corresponds to document count.

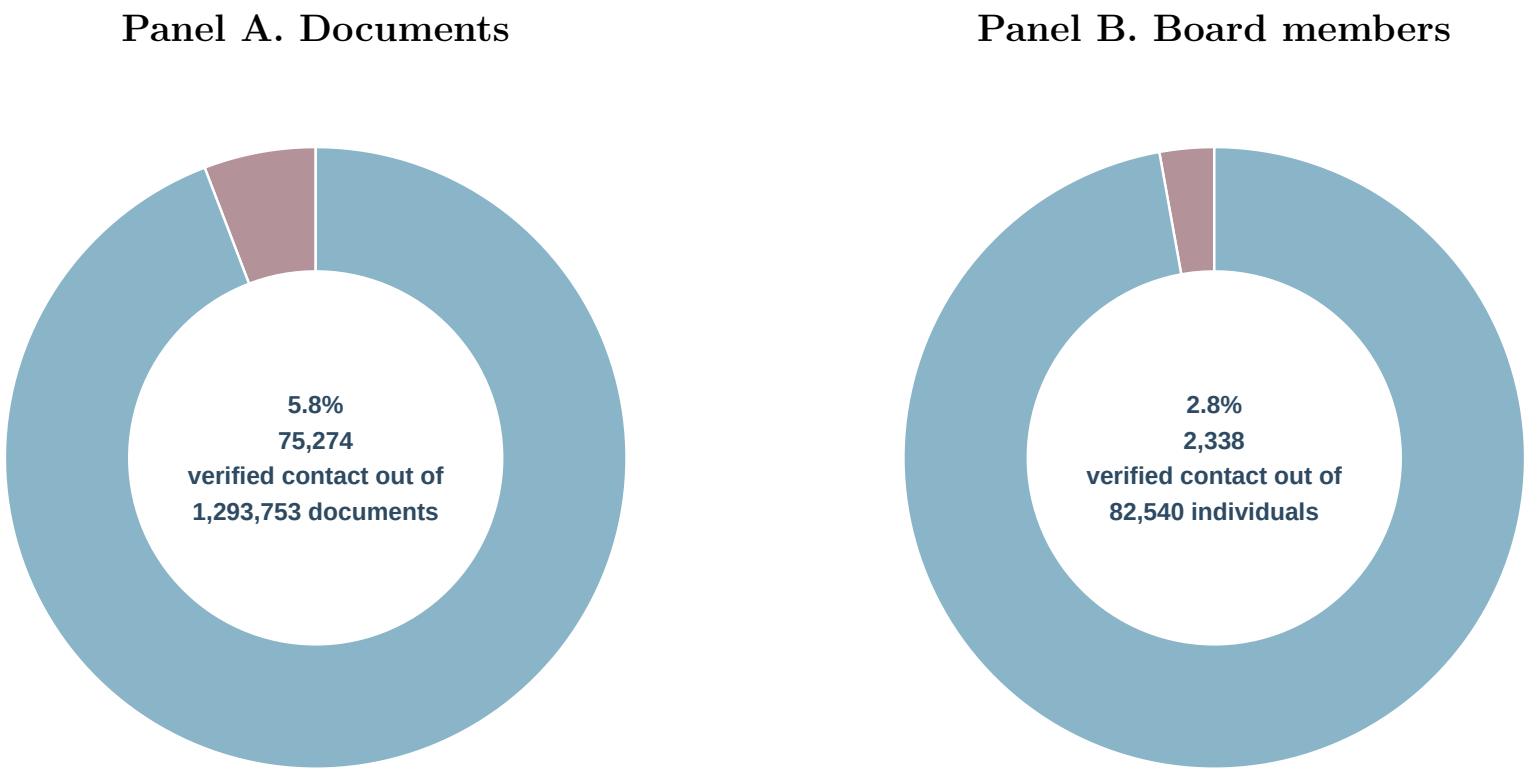



**Figure 3:** Public-Company Board-Member Contact in the DOJ Files

The figure summarizes documented contact between Epstein and public-company board members. Both panels restrict to contact-flagged emails, documents the LLM classifies as direct communication with Epstein or an explicit meeting, dated between Epstein's first arrest and death, and drop board members whose last names are among the 100 most common in the 2000 U.S. Census. These contact emails are a small slice of a large corpus: of the 126,856 in-window emails that mention at least one sample CEO or director, 90,546 record direct communication or a meeting with Epstein, and 75,274 of these involve a non-top-100-surname director. Panel A plots these 75,274 emails as a share of the 1,293,753 text-bearing DOJ documents (5.8%). Panel B reports the share of the 82,540 non-top-100-surname board members linked to at least one such email (2,338 directors). However, the majority of directors have only a few contacts; only 841 appear in five or more documents and constitute the *frequent-contact directors* on whom the later firm-level analysis is based.

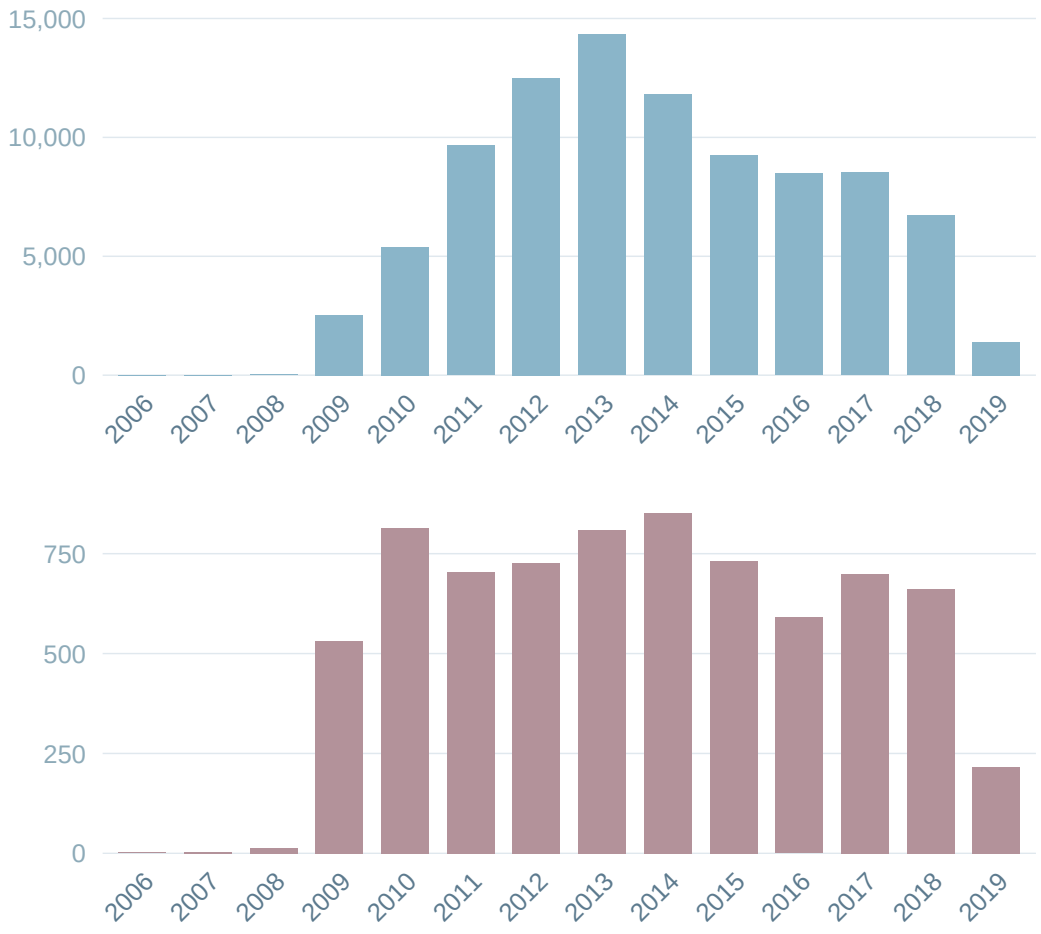



**Figure 4:** Annual Email and Director-Mention Counts in the Epstein Files

Panel A reports annual counts of unique contact emails (LLM-classified as direct communication with Epstein or as an explicit meeting) in the Epstein files. Panel B reports annual counts of unique public-company directors linked to at least one such contact email. Both series span 2006 to 2019.

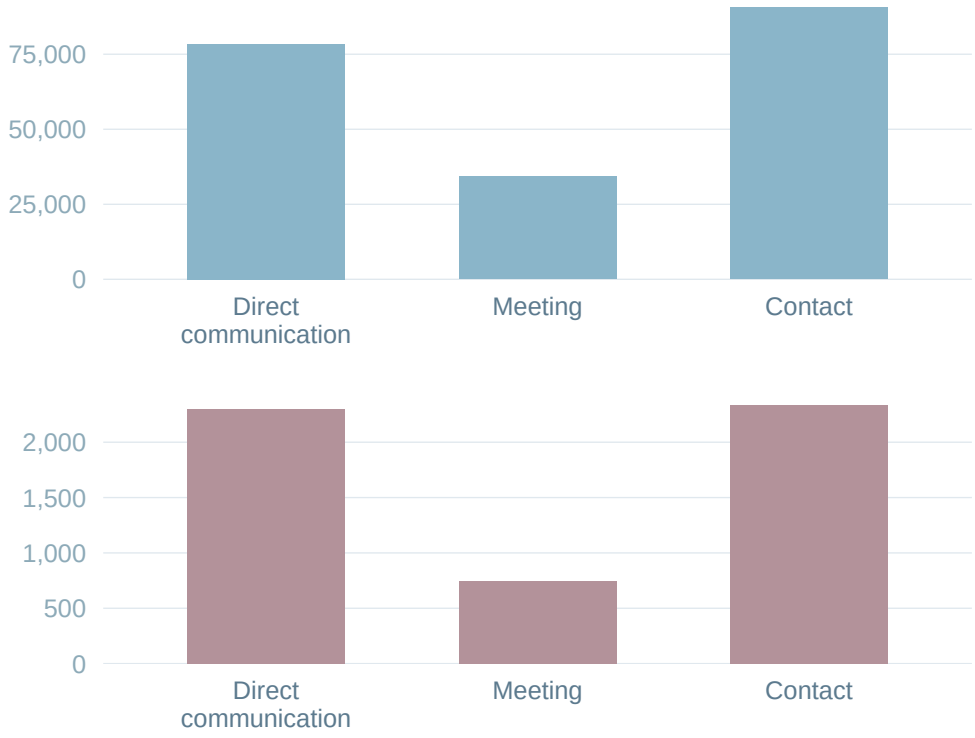



**Figure 5:** Direct Communication, Meetings, and Contact in the Classified Email Sample

Panel A reports the number and share of unique emails classified as direct communication with Epstein, an explicit meeting with Epstein, or either form of contact. Panel B reports the number of unique directors linked to at least one email in the same three categories. The sample covers July 27, 2006 through August 10, 2019, where July 27, 2006 marks the start of Epstein's first criminal case. In Panel A, the filled segment of each bar indicates the count satisfying the stated condition; the full bar height gives the total number of unique emails in the sample. Contact is defined as direct communication with Epstein or an explicit meeting with Epstein, as classified by the LLM.

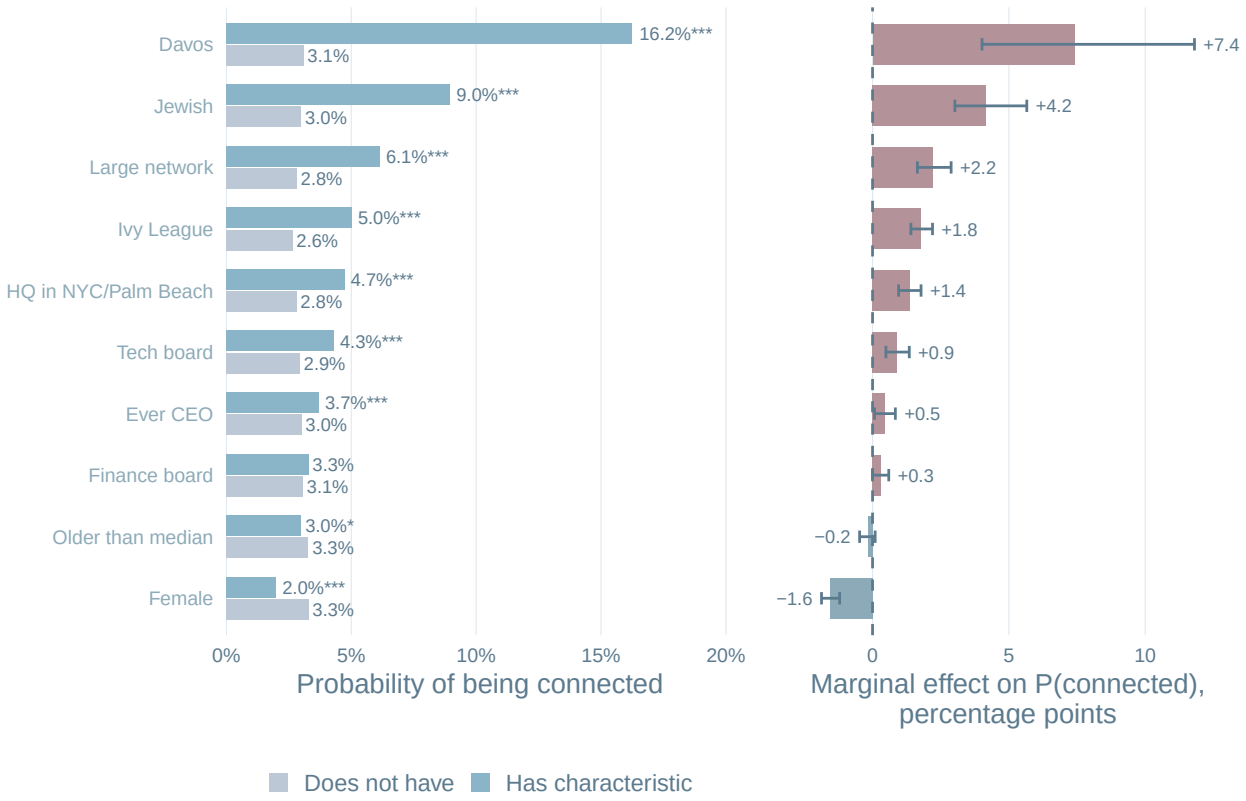



**Figure 6:** Director Characteristics and Epstein Connection

This figure focuses on predicting which board-of-director characteristics are more associated with being connected through direct communication or meeting with Jeffrey Epstein. We focus on directors whose last names are outside the top-100 most common U.S. Census surnames. The unconditional connection rate is 3.1%. Each characteristic is a 0/1 director-level indicator. *Davos*: participates in a World Economic Forum according to BoardEx. *HQ in NYC/Palm Beach*: at least one board member's firm headquarters lies within 50 miles of an Epstein property (Palm Beach, Manhattan, Zorro Ranch, or Little St. James). *Female*: BoardEx gender is female. *Jewish*: the NamSor surname-ethnicity classifier flags the surname as Jewish, a probabilistic *surname* proxy, not self-identification. *Large network*: top-decile BoardEx professional-network size. *Ivy League*: holds any Ivy League degree according to BoardEx. *Older than median*: age above the sample median (57 years in 2010). *Tech/Finance board*: ever served on a board in a tech-/finance-industry firm. *Ever CEO*: ever held a CEO role. Panel A reports the *univariate* connection rate among directors who have each characteristic (dark blue) versus those who do not (gray); the stars on the dark bar are a two-sample t-test of the difference between the two rates. Panel B reports the *average marginal effect* of each characteristic, in percentage points, from a single joint probit regression of the connection indicator on all ten characteristics: the change in connection probability when that characteristic switches from 0 to 1, holding the others fixed and averaged over the sample. Bars to the right of the dashed zero line raise the probability; whiskers are 95% confidence intervals; rows in both panels are sorted by this marginal effect.

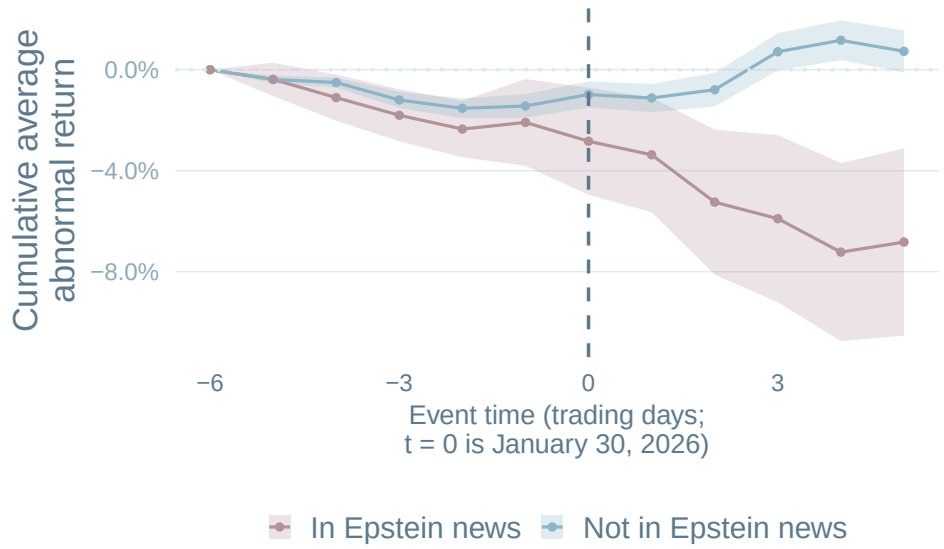



**Figure 7:** Cumulative Average Abnormal Returns around DOJ Disclosure

This figure plots the cumulative average abnormal return (CAAR) over the $[-5, +5]$ trading-day window around the January 30, 2026 DOJ disclosure, separately for firms that did and did not appear in Epstein-related news. Abnormal returns are market-adjusted ($AR_{i,t} = r_{i,t} - r_{m,t}$). The sample consists of the companies in the S&P 500 as of January 2026. The two groups are defined by *in_news*, an indicator equal to one if the firm appeared in Epstein-related news coverage during the two weeks following the disclosure, and zero otherwise (identified via ChatGPT classification of Tavily search results). The CAAR is anchored at zero on day $-6$, so that cumulation begins on the first plotted day.

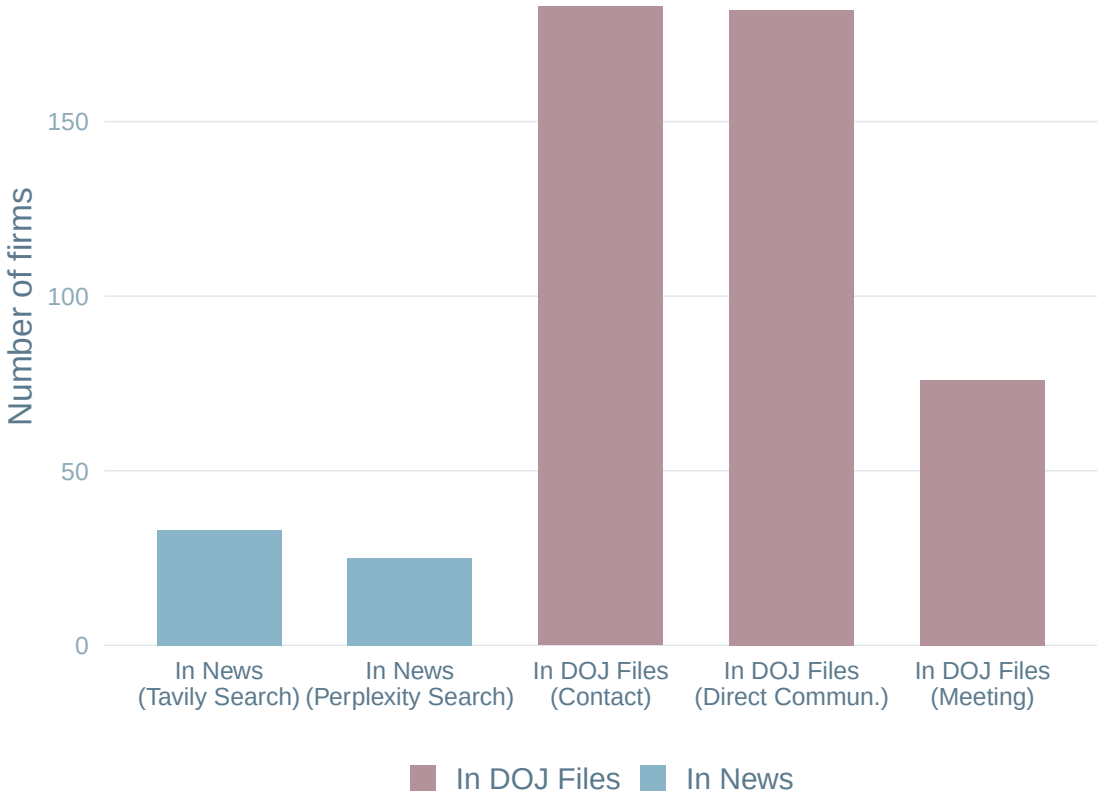



**Figure 8:** Number of S&P 500 Companies Connected to Jeffrey Epstein

This figure reports the number of S&P 500 firms identified as connected to Jeffrey Epstein under five classification schemes. The first two bars use news-based identification: the Tavily Search API paired with ChatGPT evaluation of search snippets, and the Perplexity Search API. The remaining three bars use LLM-classified DOJ documents restricted to the period between Epstein's first criminal case (July 27, 2006) and his death (August 10, 2019): *Any Contact* includes firms with at least one board member classified as having direct communication or a meeting with Epstein; *Direct Commun.* restricts to direct email communication; and *Meeting* restricts to explicitly documented meetings. News-based searches cover articles published in the two weeks following the January 30, 2026 DOJ disclosure and are performed for companies that were constituents of the S&P 500 as of January 2026.

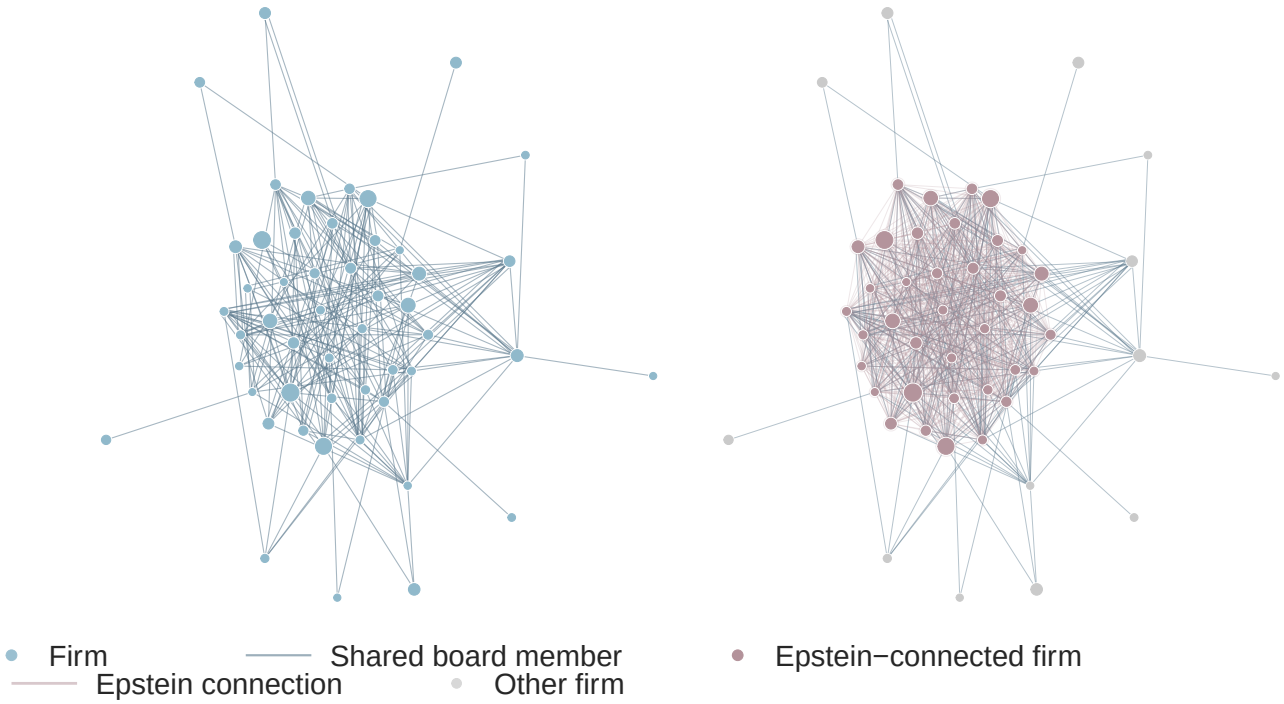



**Figure 9:** Board Interlocks and Epstein Connections: Full S&P 500 Network

| Metric | Board only | Board + Epstein |
|---|---|---|
| Nodes | 247 | 247 |
| Edges | 1,518 | 11,870 |
| Density | 0.0500 | 0.3907 |
| Avg. degree | 12.29 | 96.11 |
| Eigenvector centrality | 0.297 | 0.624 |
| Clustering coeff. | 0.156 | 0.943 |

This figure displays the board-interlock network among S&P 500 firms that were continuous index members from 2006 to 2019. Each navy line represents one shared board member between two firms; red lines in Panel B indicate Epstein-mediated edges. Node size is proportional to 2019 total assets. The table reports graph-theoretic measures before and after adding Epstein-mediated edges. *Density* is the ratio of observed edges to the maximum possible. *Avg. degree* is the mean number of connections per firm. *Eigenvector centrality* is the mean eigenvector centrality computed within the largest connected component. *Clustering coefficient* is the global transitivity, measuring the fraction of connected triples that form closed triangles.

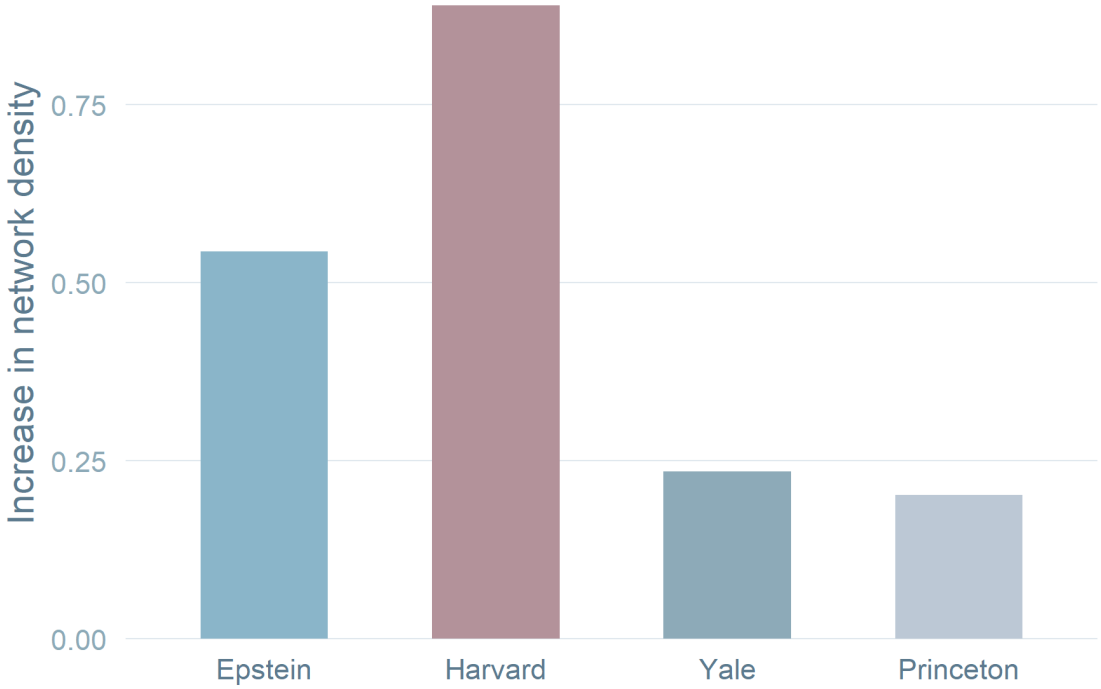



**Figure 10:** Network Density Increase from Jeffrey Epstein and Other Categories

For each category we compute the absolute increase in the firm-firm network density relative to the board-only baseline, after adding all-pairs affiliation-mediated edges between firms that each have at least one director with the affiliation. Density is the share of all firm pairs that are connected, so the reported quantity is the change in that share (a number between 0 and 1). The universe is the 247 S&P 500 firms continuously listed 2006–2019. *Epstein* flags directors who appear in at least one contact-flagged document. *Harvard*, *Yale*, and *Princeton* flag directors who attended that university per the BoardEx director-Ivy mapping. All density increases are measured relative to a board-only baseline of 0.050.

**Informal** $P_{\text{formal}} \approx 0.00$–$0.05$

*"lots of fun, im in paris for the next two weeks.. come visit ny moscow kiev"*

EFTA00907912

*"lets penceil in the japn trip in oct. but firm up some diving days in the carib in july"*

EFTA00962032

*"Damn I wanted to meet Woody Allen :( ahaha — I'm going to have a lunch right now with Steve Tisch :) lol"*

EFTA00717158

*"will be in florida for thsnkgivingn then harvard sun mon and then ny for rest of week, bill gates in on the 5th"*

EFTA01001666

*"reid hoffman, joi ito and maybe elon will come to island weekend of dec 6. you can tell melinda its safe [to] come"*

EFTA00996420

**Formal** $P_{\text{formal}} \approx 0.95$–$1.00$

*"Please find a white paper attached. Regards, Amanda."*

EFTA01059042

*"I am more than happy to pay this invoice if our agreement still stands and there is no issue from my side if that is the case."*

EFTA00936543

*"The LIBOR-rigging scandal has set back whatever incremental gains the banking sector had made in re-establishing public trust."*

EFTA00940749

*"The proposal is for any trust/entity that wants Elysium's assistance to enter into an Administrative Services Agreement."*

EFTA01202217

*"As you know, we have structured this agreement with the Buyer as either Narrows Holdings LLC or AP Narrows LP, and given both of those entities the right to assign the agreement to any one among Leon, Debra, the kids, or family trusts including APO1 and APO2."*

EFTA00698717

**Figure 11:** DOJ Emails at the Classifier Extremes: Formal vs. Informal Examples

Example sentences drawn from the Epstein-context emails at the GYAFC classifier's score extremes. Each quote is followed by the originating DOJ file identifier. Informal extremes are short, casual messages with low $P$(formal) (lowercase, abbreviations, emoticons, typos). Formal extremes are drawn from longer emails and use more technical or legal language. The sample mean of the director-year formality score is 0.51 with SD 0.21.

# Tables

**Table 1:** Timeline of Key Epstein Events

| Date | Category | Description & Source |
|---|---|---|
| Early 2000s | **Abuse** | Federal prosecutors date Epstein's sexual abuse of minors to this period. https://www.pbs.org/newshour/politics/a-timeline-of-the-jeffrey-epstein-investigation-and-the-fight-to-make-the-governments-files-public |
| 27 Jul 2006 | **First Arrest** | Palm Beach grand jury indicts Epstein on a single state solicitation charge. Police Chief Reiter refers the case to the FBI, which opens a federal investigation interviewing 34 minor victims. https://www.newsnationnow.com/crime/jeffrey-epstein-scandal-crime-timeline/ |
| 30 Jun 2008 | **Sentencing** | Epstein pleads guilty to soliciting prostitution and procuring a minor; sentenced to 18 months. A secret NPA bars federal charges and grants immunity to unnamed co-conspirators. https://abcnews.go.com/US/rise-fall-jeffrey-epstein-timeline-financiers-legal-troubles/story?id=64507847 |
| Jul 2009 | **Release** | Released after 13 months and registered as a sex offender; resumes ties with figures in science, finance, and politics. https://www.pbs.org/newshour/politics/a-timeline-of-the-jeffrey-epstein-investigation-and-the-fight-to-make-the-governments-files-public |
| 6 Jul 2019 | **Second Arrest** | Arrested at Teterboro Airport on federal sex trafficking and conspiracy charges. https://abcnews.go.com/US/rise-fall-jeffrey-epstein-timeline-financiers-legal-troubles/story?id=64507847 |
| 10 Aug 2019 | **Death** | Found dead in his MCC cell. https://www.npr.org/2025/07/25/nx-s1-5478620/jeffrey-epstein-crimes-timeline-legal-case |
| 2 Sep 2025 | **DOJ Release I** | House Oversight releases 33,295 pages subpoenaed from the DOJ. https://oversight.house.gov/release/oversight-committee-releases-epstein-records-provided-by-the-department-of-justice/ |
| 19 Nov 2025 | **Transparency Act** | Trump signs the Epstein Files Transparency Act (Public Law 119–38). DOJ required to release all files by 19 Dec and submit an unredacted list of named officials to Congress. https://www.congress.gov/bill/119th-congress/house-bill/4405 |
| 19 Dec 2025 | **DOJ Release II** | DOJ releases 3,965 files (3 GB) on deadline but falls short; 550+ pages remain blacked out, including a 119-page grand jury transcript. https://time.com/7342581/jeffrey-epstein-doj-justice-department-files-documents-redactions/ |
| 30 Jan 2026 | **DOJ Release III** | DOJ releases 3M+ pages, 2,000 videos, and 180,000 images. Declared the final major release; ∼200,000 pages remain redacted. Over 1,000 victims identified. https://www.pbs.org/newshour/show/whats-revealed-in-the-latest-epstein-files-release-and-whats-redacted |

**Table 2:** Summary Statistics

The sample is the unified RepRisk regression sample used across Tables 3, 5, A4, A6, A7, and A9: 24,518 firm-year observations across 2,285 firms between 2006 and 2019, restricted to firms ever observed in RepRisk that also appear in CRSP/Compustat. Each exposure measure counts the *frequent-contact* directors currently serving on the board in year $t$, those appearing in 5+ contact-flagged DOJ documents over the rolling three-year window ending in that year. The three measures are constructed from the LLM classification described in Section 2 and capture different types of contact: *direct communication* identifies the director and Epstein together as correspondents in an email (as sender, recipient, or cc); *meeting* requires a document to explicitly schedule, confirm, or record an in-person meeting between them; and *contact* is the union of the two. Directors whose surname is among the 100 most common in the 2000 U.S. Census are dropped to limit name-collision false positives. The control variables are the natural log of total assets (`at`); ROA (`ib/at`); the book-to-market equity ratio (Fama–French book equity over market equity, the latter `prcc_c`×`csho`); leverage (`(dltt+dlc)/at`); asset growth (the year-over-year change in `at`); and, from BoardEx, board size (the number of directors) and board independence (the fraction of independent directors). All variables are winsorized at the 1st and 99th percentiles.

| | $N$ | Mean | SD | P25 | P50 | P75 |
|---|---|---|---|---|---|---|
| Panel A. Epstein Exposure | | | | | | |
| Contact directors | 24,518 | 0.073 | 0.261 | 0.000 | 0.000 | 0.000 |
| Direct communication dir. | 24,518 | 0.073 | 0.260 | 0.000 | 0.000 | 0.000 |
| Meeting | 24,518 | 0.039 | 0.194 | 0.000 | 0.000 | 0.000 |
| Panel B. Firm Controls | | | | | | |
| Log(assets) | 24,518 | 7.965 | 1.952 | 6.684 | 7.967 | 9.235 |
| ROA | 24,518 | 0.012 | 0.139 | 0.003 | 0.033 | 0.071 |
| Book-to-market | 24,518 | 0.646 | 0.624 | 0.279 | 0.518 | 0.852 |
| Leverage | 24,518 | 0.275 | 0.220 | 0.098 | 0.247 | 0.402 |
| Asset growth | 24,518 | 0.097 | 0.282 | −0.021 | 0.041 | 0.134 |
| Board size | 24,518 | 9.914 | 2.838 | 8.000 | 10.000 | 12.000 |
| Board fraction independent | 24,518 | 0.845 | 0.089 | 0.800 | 0.875 | 0.900 |
| Panel C. RepRisk Outcomes | | | | | | |
| Employee incidents | 24,518 | 0.505 | 1.646 | 0.000 | 0.000 | 0.000 |
| Governance incidents | 24,518 | 0.997 | 3.323 | 0.000 | 0.000 | 1.000 |
| Total incidents | 24,518 | 2.773 | 8.129 | 0.000 | 0.000 | 2.000 |

**Table 3:** Epstein Connections and RepRisk Incidents

Each column reports a separate OLS regression. The dependent variable, measured at $t+1$, is the annual count of RepRisk incidents of the indicated type: total incidents (columns (1) and (4)), governance incidents (columns (2) and (5)), and employee incidents (columns (3) and (6)). In each panel the key independent variable is the number of *frequent*-contact directors with the indicated type of Epstein connection who served on firm $i$'s board during the rolling three-year window ($t-2$ through $t$). A frequent-contact director appears in $\geq 5$ contact-flagged DOJ documents and has a surname that is not among the 100 most common surnames in the 2000 U.S. Census. *Contact* denotes direct communication or a meeting with Epstein. The *Direct communication* and *Meeting* exposure variables are constructed by applying LLM classification to emails and are defined in Section 2. Panel D reports an alternative specification in which the *Meeting (agenda)* variable is constructed (non-LLM) from board meeting agendas, with calendar coverage spanning 62% of days over the full 2006–2019 study window. All specifications control for log assets, ROA, book-to-market, leverage, asset growth, board size, and the fraction of independent directors. Columns (1)–(3) include Fama–French 48 industry × year fixed effects; columns (4)–(6) include firm and year fixed effects. Standard errors clustered at the firm level. ***, **, and * denote significance at the 1%, 5%, and 10% levels.

| | Dependent variable: RepRisk incidents (level) | | | | | |
|---|---|---|---|---|---|---|
| | Total | Governance | Employee | Total | Governance | Employee |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Panel A: Contact | | | | | | |
| Contact | 3.9584*** | 1.7430*** | 0.8063*** | 1.5726*** | 0.8545*** | 0.3442*** |
| | (0.9014) | (0.4108) | (0.1658) | (0.3589) | (0.1904) | (0.0854) |
| Obs. | 24,518 | 24,518 | 24,518 | 24,471 | 24,471 | 24,471 |
| Controls | Yes | Yes | Yes | Yes | Yes | Yes |
| Ind × Year FE | Yes | Yes | Yes | No | No | No |
| Firm + Year FE | No | No | No | Yes | Yes | Yes |
| $R^2$ | 0.269 | 0.231 | 0.229 | 0.785 | 0.689 | 0.672 |
| Panel B: Direct communication | | | | | | |
| Direct communic. | 3.9849*** | 1.7583*** | 0.8128*** | 1.5869*** | 0.8640*** | 0.3478*** |
| | (0.9086) | (0.4142) | (0.1671) | (0.3606) | (0.1913) | (0.0858) |
| Obs. | 24,518 | 24,518 | 24,518 | 24,471 | 24,471 | 24,471 |
| Controls | Yes | Yes | Yes | Yes | Yes | Yes |
| Ind × Year FE | Yes | Yes | Yes | No | No | No |
| Firm + Year FE | No | No | No | Yes | Yes | Yes |
| $R^2$ | 0.269 | 0.231 | 0.229 | 0.785 | 0.689 | 0.672 |

**Table 3:** Epstein Connections and RepRisk Incidents (continued)

| | Dependent variable: RepRisk incidents (level) | | | | | |
|---|---|---|---|---|---|---|
| | Total | Governance | Employee | Total | Governance | Employee |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Panel C: Meeting | | | | | | |
| Meeting | 4.6981*** | 1.9190*** | 0.8817*** | 1.2506** | 0.6456** | 0.1982* |
| | (1.3670) | (0.6614) | (0.2362) | (0.5679) | (0.3188) | (0.1202) |
| Obs. | 24,518 | 24,518 | 24,518 | 24,471 | 24,471 | 24,471 |
| Controls | Yes | Yes | Yes | Yes | Yes | Yes |
| Ind × Year FE | Yes | Yes | Yes | No | No | No |
| Firm + Year FE | No | No | No | Yes | Yes | Yes |
| $R^2$ | 0.266 | 0.226 | 0.224 | 0.784 | 0.687 | 0.671 |
| Panel D: Meeting (agenda, non-LLM) | | | | | | |
| Meeting (agenda) | 5.4982*** | 1.6506** | 1.3792*** | 2.8265** | 1.0649* | 0.8136** |
| | (1.9394) | (0.7061) | (0.3771) | (1.4165) | (0.5818) | (0.3281) |
| Obs. | 24,518 | 24,518 | 24,518 | 24,471 | 24,471 | 24,471 |
| Controls | Yes | Yes | Yes | Yes | Yes | Yes |
| Ind × Year FE | Yes | Yes | Yes | No | No | No |
| Firm + Year FE | No | No | No | Yes | Yes | Yes |
| $R^2$ | 0.281 | 0.235 | 0.225 | 0.783 | 0.680 | 0.671 |

**Table 4:** Alternative Misconduct Outcomes

Each column reports a separate OLS regression with firm and year fixed effects, estimated on the full Compustat panel for years between 2006 and 2019. *Financial offenses* are defined as the count of Violation Tracker cases with offense_group = "financial offenses" (the SEC/CFTC/OCC/investor-protection class). *Securities cases*: the count of federal-litigation securities cases from Billings et al. (2026) in which the firm is a defendant. *RICO*: the count of federal-litigation Racketeer Influenced and Corrupt Organizations cases from Billings et al. (2026) in which the firm is a defendant. *Misconduct $*: $\log(1 + \$)$ of cumulative non-wage employment-misconduct settlements from Employment Practices Liability Insurance (EPLI) data, the included categories are Discrimination & Harassment, Whistleblower/Retaliation, and Wrongful Termination, and wage-and-hour claims are excluded. *Contact* is the number of *frequent*-contact directors who served on firm $i$'s board during the rolling three-year window ($t-2$ through $t$); a frequent-contact director appears in $\geq 5$ contact-flagged DOJ documents and has a surname that is not among the 100 most common surnames in the 2000 U.S. Census. Outcome timing follows Lowry and Volkova (2026): outcomes with a known filing date are counted in the following year ($t+1$), and outcomes for which only a penalty date is available are cumulated over the following three years ($t+1$ to $t+3$). Accordingly, the Billings et al. (2026) litigation outcomes (*Securities cases* and *RICO*) are dated at $t+1$, whereas the Violation Tracker and EPLI outcomes (*Financial offenses* and *Misconduct $*) are cumulated over $t+1$ to $t+3$. Standard errors clustered at the firm level. ***, **, and * denote significance at the 1%, 5%, and 10% levels, respectively.

| | Financial offenses | Securities cases | RICO | Misconduct $ |
|---|---|---|---|---|
| | (1) | (2) | (3) | (4) |
| Contact | 0.0150** | 0.0312* | 0.0209** | 0.2128* |
| | (0.0060) | (0.0168) | (0.0089) | (0.1234) |
| Controls | Yes | Yes | Yes | Yes |
| Firm + Year FE | Yes | Yes | Yes | Yes |
| Observations | 51,060 | 51,060 | 51,060 | 51,060 |
| $R^2$ | 0.530 | 0.219 | 0.445 | 0.390 |

**Table 5:** Mechanism: Network Expansion and Norm Contagion

Each column reports a separate OLS regression where the dependent variable is the annual count of RepRisk incidents (total, governance, and employee incidents). *Contact* is the number of *frequent*-contact directors who served on firm $i$'s board during the rolling three-year window ($t-2$ through $t$); a frequent-contact director appears in $\geq 5$ contact-flagged DOJ documents and has a surname that is not among the 100 most common in the 2000 U.S. Census. *Network expansion* is the change in firm $i$'s eigenvector-centrality *rank* (percentile) when Epstein-mediated edges are added to the board-interlock network, standardized to mean zero and unit standard deviation within each year; the rank-based measure is scale-invariant and avoids the magnitude artifacts that affect the level-difference $\Delta$-eigenvector specification under within-firm fixed effects. *Norm contagion* is the *average* number of contact directors across the firms that share a board member with firm $i$ in the board-interlock network, likewise standardized within year; normalizing by the number of board-interlock neighbors (rather than summing across them) keeps the measure from mechanically scaling with ordinary board degree. Because both network measures are standardized, their coefficients give the effect of a one-standard-deviation increase, whereas *Contact* enters in levels (the effect of one additional frequent-contact director). Columns (1)–(3) include Fama–French 48 industry × year fixed effects; columns (4)–(6) include firm and year fixed effects. Controls include log assets, ROA, book-to-market, leverage, asset growth, board size, and board fraction independent. Standard errors clustered at the firm level. ***, **, * denote significance at the 1%, 5%, and 10% levels.

| | Dependent variable: RepRisk incidents (level) | | | | | |
|---|---|---|---|---|---|---|
| | Total | Governance | Employee | Total | Governance | Employee |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Contact | 3.2446*** | 1.4394*** | 0.6629*** | 1.4251*** | 0.7750*** | 0.3143*** |
| | (0.8486) | (0.3883) | (0.1550) | (0.3490) | (0.1848) | (0.0853) |
| Network expansion | 0.0370 | 0.0148 | −0.0112 | −0.0710 | −0.0114 | −0.0335 |
| | (0.0931) | (0.0390) | (0.0184) | (0.0909) | (0.0472) | (0.0208) |
| Norm contagion | 0.7598*** | 0.3237*** | 0.1637*** | 0.2350*** | 0.1218*** | 0.0511*** |
| | (0.1382) | (0.0584) | (0.0299) | (0.0601) | (0.0302) | (0.0133) |
| Controls | Yes | Yes | Yes | Yes | Yes | Yes |
| Ind × Year FE | Yes | Yes | Yes | No | No | No |
| Firm + Year FE | No | No | No | Yes | Yes | Yes |
| Observations | 24,518 | 24,518 | 24,518 | 24,471 | 24,471 | 24,471 |
| $R^2$ | 0.275 | 0.237 | 0.235 | 0.785 | 0.689 | 0.673 |

**Table 6:** Validation: Expansion vs. Contagion and Director Communication Style

Each column reports a separate OLS regression where the dependent variable is the director-year mean formality score from a BERT-based classifier fine-tuned on the GYAFC corpus (Rao and Tetreault, 2018). The GYAFC corpus consists of roughly 110,000 sentences that human annotators labeled as formal or informal; the fine-tuned classifier assigns each sentence a probability of being formal, $P(\text{formal}) \in [0, 1]$, with higher values indicating more formal language. We average these sentence-level probabilities within each email and then, unweighted, across the emails written by director $d$ in year $t$. The regressors, *Network expansion* and *Norm contagion*, are the same standardized network measures used in Table 5. Director fixed effects absorb time-invariant differences in individual writing style; because they require within-director variation, directors with email evidence in only a single year—those without repeated, multi-year email activity—are dropped as singletons. Observations are weighted by the number of emails per director-year, so that director-years with more email evidence carry more weight. Standard errors clustered at the director level are in parentheses. $^{***}$, $^{**}$, $^{*}$ denote significance at the 1%, 5%, and 10% levels. Figure 11 reports illustrative example sentences at the classifier's two extremes (with their originating DOJ file identifiers).

| | Dependent variable: Formality score | |
|---|---|---|
| | (1) | (2) |
| Network expansion | $0.0362^{***}$ | |
| | (0.0130) | |
| Norm contagion | | $-0.0276^{***}$ |
| | | (0.0066) |
| Director FE | Yes | Yes |
| Observations | 1,215 | 1,215 |
| $R^2$ | 0.628 | 0.644 |

# Appendix

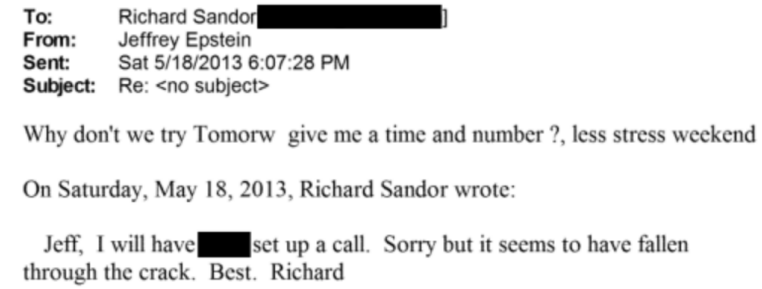
## A LLM Prompt

The following prompt is used for the LLM-based extraction of structured variables from each DOJ document.

```
Extract ONLY the NEW requested variables from ONE document.
Target person of interest: {director_name}

Output ONLY valid JSON with EXACTLY these keys:
is_email
date
meeting_epstein_person
direct_epstein_person_communication
referenced_epstein_person_communication
Allowed values:
- is_email: yes|no|unsure
- date: YYYY-MM-DD if possible; if partial date only,
  provide best ISO-like format; if no date found,
  output null.
- yes/no/unsure for all topic and detection flags.
- meeting_epstein_person is yes|no|unsure.
- direct_epstein_person_communication and
  referenced_epstein_person_communication are
  yes|no|unsure.
Strict rules:
- is_email = yes only when the document is an email,
  header-style email, or iMessage-like message thread.
- date:
  - Use YYYY-MM-DD if possible.
  - If partial date only, provide best ISO-like format.
  - If no date found, output null.
- meeting_epstein_person = yes ONLY with explicit meeting
  intent/action specifically between Jeffrey Epstein and
  the target person.
- direct_epstein_person_communication = yes ONLY if the
  document itself indicates direct communication between
  Jeffrey Epstein and the target person (one is sender
  and the other is recipient, including cc/bcc or
  equivalent iMessage counterpart).
TEXT:
{text_for_llm_truncated}
```

**Panel A. Meeting confirmed via an assistant**



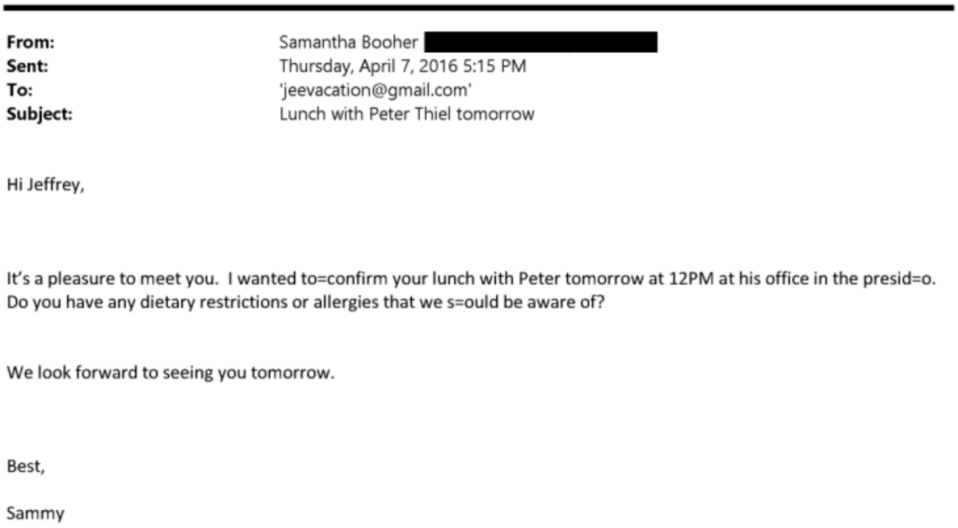
**To:** Richard Sandor[redacted]
**From:** Jeffrey Epstein
**Sent:** Sat 5/18/2013 6:07:28 PM
**Subject:** Re: <no subject>

Why don't we try Tomorw give me a time and number ?, less stress weekend

On Saturday, May 18, 2013, Richard Sandor wrote:

Jeff, I will have[redacted] set up a call. Sorry but it seems to have fallen through the crack. Best. Richard

**Panel B. Direct exchange arranging a call**



**From:** Samantha Booher [redacted]
**Sent:** Thursday, April 7, 2016 5:15 PM
**To:** 'jeevacation@gmail.com'
**Subject:** Lunch with Peter Thiel tomorrow

Hi Jeffrey,

It's a pleasure to meet you. I wanted to=confirm your lunch with Peter tomorrow at 12PM at his office in the presid=o. Do you have any dietary restrictions or allergies that we s=ould be aware of?

We look forward to seeing you tomorrow.

Best,

Sammy

**Figure A1:** Meeting Evidence That Requires LLM Classification

The figure shows two emails that document contact requiring LLM classification rather than name matching or structured calendar data alone. Panel A is an email from an assistant to Epstein confirming his lunch with Peter Thiel; the meeting is recorded through a third party rather than through direct correspondence between Epstein and the attendee. Panel B is a direct exchange in which Epstein and Richard Sandor arrange a call. In both cases, identifying the meeting and the public-company director involved requires reading the free text of the email, which is why we rely on LLM classification rather than name matching alone.

**Table A1:** Illustrative Communications on Legal, Regulatory, and Reputational Matters

The table presents selected communications involving directors or executives in our matched sample. The exchanges illustrate Epstein's involvement in mediation, litigation strategy, sensitive negotiations, and legal or reputational advice.

| Context | Relevant excerpt | DOJ file |
|---|---|---|
| *Regulatory mediation* | | |
| Permits, dock management, sewage issues, and threatened litigation | "JE believes that there is a simple deal to be done to resolve the issue and he believes that he (JE) is the right party to mediate and settle the dispute." | EFTA02582403 |
| *Litigation and press strategy* | | |
| Adverse press attention and litigation involving an opposing lawyer | "Do a google search on me. He's suing four of my friends and I'm mentioned in a bunch of the press. Any dirt you have could prove helpful." | EFTA01924064 |
| *Sensitive legal matter* | | |
| Coordination of legal representation and accounting support | "Lawyer should retain Alan ... all according to what 'this' is. Let's talk instead of email." | EFTA00859652 |
| *Employment negotiation* | | |
| Delegation of authority in a sensitive career and employment dispute | "I have asked Jeffrey to oversee and negotiate for me, and have given him power of attorney to act on my behalf. He has dealt with very similar problems in the past." | EFTA00694815 |
| *Dispute resolution* | | |
| Resignation terms, non-compete provisions, legal fees, and litigation avoidance | "You will tell them that you are going to resign early ... want no litigation in the future, loser pays legal fees. And no lawsuits before more than five hires and two restaurants." | EFTA00976470 |
| *Legal and reputational assistance* | | |
| Offer of support despite the contact's existing legal representation | "I know you have a bevy of lawyers working for you but if you need, or even want, my help I am available." | EFTA01836182 |

**Table A2:** Cumulative Abnormal Returns after DOJ Release

Each column reports a separate OLS regression where the dependent variable is the cumulative abnormal return (CAR) over the event window indicated in the column header; day 0 is the DOJ release date, January 30, 2026. *in_news* is an indicator equal to one if the firm appeared in Epstein-related news coverage during the two weeks following the release, and zero otherwise. News exposure is constructed by querying the Tavily Search API for the firm name together with "Epstein" over January 30 to February 13, 2026, and classifying whether the returned snippets explicitly link the firm to Jeffrey Epstein; the baseline classifier is GPT, and the Perplexity classifier used in Panel B, column (1) is an alternative. Panel A reports Fama–French three-factor CARs across four event windows. Panel B fixes the window at $[0, 3]$ and varies the specification: column (1) uses the Perplexity classification with FF3 returns; columns (2)–(5) use the GPT classification with (2) market-adjusted returns, (3) FF3 excluding firms that filed a 10-Q during the event window, (4) FF3 with Fama–French 12-industry fixed effects, and (5) FF3 with both industry fixed effects and the 10-Q exclusion. Heteroskedasticity-robust (HC1) standard errors are in parentheses. $^{***}$, $^{**}$, $^{*}$ denote significance at the 1%, 5%, and 10% levels.

Panel A. Fama–French three-factor CARs by event window

| | Dependent variable: Cumulative abnormal return | | | |
|---|---|---|---|---|
| | (1) | (2) | (3) | (4) |
| Window | $[0]$ | $[0, 1]$ | $[0, 3]$ | $[0, 5]$ |
| *in_news* | $-0.0082$ | $-0.0104^{*}$ | $-0.0373^{***}$ | $-0.0485^{***}$ |
| | (0.0060) | (0.0057) | (0.0131) | (0.0139) |
| Constant | $0.0058^{***}$ | $-0.0010$ | 0.0014 | 0.0035 |
| | (0.0011) | (0.0014) | (0.0028) | (0.0035) |
| Observations | 500 | 500 | 500 | 500 |
| $R^2$ | 0.007 | 0.007 | 0.023 | 0.025 |

Panel B. CAR $[0, 3]$ across specifications

| | Dependent variable: Cumulative abnormal return, window $[0, 3]$ | | | | |
|---|---|---|---|---|---|
| | (1) | (2) | (3) | (4) | (5) |
| Return model | FF3 | MA | FF3 | FF3 | FF3 |
| Classifier | Perplexity | GPT | GPT | GPT | GPT |
| *in_news* | $-0.0396^{**}$ | $-0.0545^{***}$ | $-0.0378^{***}$ | $-0.0375^{***}$ | $-0.0380^{***}$ |
| | (0.0179) | (0.0157) | (0.0132) | (0.0132) | (0.0133) |
| Industry FE | No | No | No | Yes | Yes |
| Excl. 10-Q filers | No | No | Yes | No | Yes |
| Observations | 500 | 500 | 497 | 500 | 497 |

**Table A3:** Effect of the Epstein Layer on Board-Interlock Network Structure

This table reports five structural characteristics of the corporate board-interlock network, *without* the Epstein layer, *with* it, and the change. In the without-Epstein graph two firms are linked if they share at least one board director; the with-Epstein graph additionally connects every pair of Epstein-contact firms, firms with at least one director who corresponded with or met Jeffrey Epstein, identified from LLM-classified DOJ emails, so that contact firms form a clique by construction. Each row is a network sub-sample: a Fama–French 12 industry, or one of two reference samples (the full Compustat universe of firms continuously listed 2006–2019, and the 247 S&P 500 firms continuously listed over the same period, the sample of the headline network in Figure 9). The node set is identical across the two graphs and is reported once. Edges is the number of connected firm-pairs; density is the share of all possible firm-pairs that are connected; average degree is the mean number of connections per firm (= 2 edges/nodes); eigenvector centrality is the mean (max-scaled) eigenvector centrality within the largest connected component; clustering is the global clustering coefficient.

| | | | Edges | | | Density (%) | | | Avg. degree | | | Eigenvector centrality | | | Clustering coef. | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Industry / sample | Nodes | Contact | Without | With | Δ | Without | With | Δ | Without | With | Δ | Without | With | Δ | Without | With | Δ |
| *Reference samples* | | | | | | | | | | | | | | | | | |
| All firms (Compustat universe) | 2,322 | 788 | 9,618 | 317,083 | +307,465 | 0.36 | 11.77 | +11.41 | 8.28 | 273.11 | +264.83 | 0.089 | 0.427 | +0.338 | 0.107 | 0.986 | +0.879 |
| S&P 500 (continuous 2006–2019) | 247 | 149 | 1,518 | 11,870 | +10,352 | 5.00 | 39.07 | +34.07 | 12.29 | 96.11 | +83.82 | 0.297 | 0.624 | +0.327 | 0.156 | 0.943 | +0.787 |
| *Fama–French 12 industries* | | | | | | | | | | | | | | | | | |
| Consumer Nondurables | 102 | 44 | 54 | 981 | +927 | 1.05 | 19.04 | +18.00 | 1.06 | 19.24 | +18.18 | 0.242 | 0.675 | +0.432 | 0.130 | 0.969 | +0.839 |
| Consumer Durables | 58 | 13 | 17 | 92 | +75 | 1.03 | 5.57 | +4.54 | 0.59 | 3.17 | +2.59 | 0.544 | 0.610 | +0.065 | 0.000 | 0.904 | +0.904 |
| Manufacturing | 233 | 67 | 295 | 2,481 | +2,186 | 1.09 | 9.18 | +8.09 | 2.53 | 21.30 | +18.76 | 0.214 | 0.404 | +0.190 | 0.130 | 0.939 | +0.809 |
| Energy | 94 | 20 | 90 | 269 | +179 | 2.06 | 6.15 | +4.10 | 1.91 | 5.72 | +3.81 | 0.268 | 0.372 | +0.104 | 0.172 | 0.809 | +0.637 |
| Chemicals | 62 | 23 | 35 | 280 | +245 | 1.85 | 14.81 | +12.96 | 1.13 | 9.03 | +7.90 | 0.354 | 0.616 | +0.262 | 0.200 | 0.943 | +0.743 |
| Business Equipment (Tech) | 343 | 96 | 428 | 4,908 | +4,480 | 0.73 | 8.37 | +7.64 | 2.50 | 28.62 | +26.12 | 0.178 | 0.423 | +0.245 | 0.146 | 0.965 | +0.819 |
| Telecommunications | 68 | 19 | 19 | 181 | +162 | 0.83 | 7.95 | +7.11 | 0.56 | 5.32 | +4.76 | 0.572 | 0.832 | +0.260 | 0.333 | 0.966 | +0.632 |
| Utilities | 75 | 28 | 49 | 414 | +365 | 1.77 | 14.92 | +13.15 | 1.31 | 11.04 | +9.73 | 0.224 | 0.554 | +0.330 | 0.120 | 0.933 | +0.813 |
| Wholesale & Retail | 194 | 75 | 249 | 2,954 | +2,705 | 1.33 | 15.78 | +14.45 | 2.57 | 30.45 | +27.89 | 0.143 | 0.553 | +0.409 | 0.180 | 0.956 | +0.776 |
| Healthcare | 197 | 59 | 265 | 1,931 | +1,666 | 1.37 | 10.00 | +8.63 | 2.69 | 19.60 | +16.91 | 0.173 | 0.419 | +0.245 | 0.151 | 0.930 | +0.779 |
| Finance | 599 | 236 | 540 | 28,096 | +27,556 | 0.30 | 15.69 | +15.39 | 1.80 | 93.81 | +92.01 | 0.136 | 0.588 | +0.452 | 0.126 | 0.992 | +0.866 |
| Other | 297 | 108 | 244 | 5,950 | +5,706 | 0.56 | 13.54 | +12.98 | 1.64 | 40.07 | +38.42 | 0.131 | 0.556 | +0.425 | 0.113 | 0.981 | +0.867 |

**Table A4:** Director Deaths and RepRisk Incidents

Each column reports a separate OLS regression where the dependent variable is the number of RepRisk incidents indicated in the column header; the format follows Table 3 and uses the same definition of *Contact*. The sample is restricted to firms that ever had a frequent-contact director with an uncommon surname. *Post-sudden death* is an indicator equal to one for the firm-years that fall 2 to 5 years after the first sudden death of a frequent-contact director who served at the firm. A death is classified as sudden when BoardEx records an exact date of death and the director was younger than 75 at the time, a proxy for a death that removed an active director unexpectedly rather than through anticipated retirement or old age. A frequent-contact director appears in $\geq 5$ contact-flagged DOJ documents and has a surname that is not among the 100 most common in the 2000 U.S. Census (the *m100* filter). The 2-year skip lets the firm absorb the immediate governance transition. Columns (1)–(3) include Fama–French 48 industry × year fixed effects; columns (4)–(6) include firm and year fixed effects. Standard errors clustered at the firm level are in parentheses. ***, **, * denote significance at the 1%, 5%, and 10% levels.

| | Dependent variable: RepRisk incidents | | | | | |
|---|---|---|---|---|---|---|
| | Total | Governance | Employee | Total | Governance | Employee |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Contact | 0.0936 | 0.0777 | 0.0837** | 0.0564* | 0.0401 | 0.0509** |
| | (0.0577) | (0.0493) | (0.0373) | (0.0293) | (0.0277) | (0.0209) |
| Post-sudden death | −0.6267* | −0.2220 | −0.4991*** | −0.2075* | −0.0139 | −0.3071*** |
| | (0.3754) | (0.3480) | (0.1659) | (0.1165) | (0.0647) | (0.0672) |
| Controls | Yes | Yes | Yes | Yes | Yes | Yes |
| Ind × Year FE | Yes | Yes | Yes | No | No | No |
| Firm + Year FE | No | No | No | Yes | Yes | Yes |
| Observations | 4,641 | 4,641 | 4,641 | 4,702 | 4,702 | 4,702 |
| $R^2$ | 0.605 | 0.525 | 0.472 | 0.832 | 0.737 | 0.712 |

**Table A5:** Epstein Connections and RepRisk Incidents, Firm and Ind.×Year Fixed Effects

This table repeats Table 3, but every column now includes firm and Fama–French 48 industry × year fixed effects together, rather than the two separate fixed-effects structures used there. All specifications control for log assets, ROA, book-to-market, leverage, asset growth, board size, and the fraction of independent directors. Standard errors are clustered at the firm level. ***, **, and * denote significance at the 1%, 5%, and 10% levels.

| | Dependent variable: RepRisk incidents | | |
|---|---|---|---|
| | Total | Governance | Employee |
| | (1) | (2) | (3) |
| Panel A: Contact | | | |
| Contact | 1.5485*** | 0.8378*** | 0.3130*** |
| | (0.3452) | (0.1864) | (0.0817) |
| $R^2$ | 0.796 | 0.702 | 0.694 |
| Panel B: Direct communication | | | |
| Direct communication | 1.5623*** | 0.8481*** | 0.3163*** |
| | (0.3470) | (0.1874) | (0.0821) |
| $R^2$ | 0.796 | 0.702 | 0.694 |
| Panel C: Meeting | | | |
| Meeting | 1.1438** | 0.5751* | 0.1611 |
| | (0.5281) | (0.3117) | (0.1054) |
| $R^2$ | 0.796 | 0.701 | 0.693 |
| Panel D: Meeting (agenda, non-LLM) | | | |
| Meeting (agenda) | 2.5517** | 0.9288 | 0.8269*** |
| | (1.2705) | (0.5674) | (0.2940) |
| $R^2$ | 0.797 | 0.695 | 0.694 |
| Controls | Yes | Yes | Yes |
| Firm FE | Yes | Yes | Yes |
| Industry × Year FE | Yes | Yes | Yes |
| Observations | 24,471 | 24,471 | 24,471 |

**Table A6:** Epstein Connections and RepRisk Incidents — PPML

This table follows the format of Table 3. Each column reports a separate PPML regression in which the dependent variable is the annual count of RepRisk incidents indicated in the column header. The PPML coefficient $\beta$ is interpretable as a semi-elasticity. Controls include log assets, ROA, book-to-market, leverage, asset growth, board size, and the fraction of independent directors. Fama–French 48 industry × year fixed effects are included. Standard errors are clustered at the firm level. ***, **, and * denote significance at the 1%, 5%, and 10% levels.

| | Dependent variable: RepRisk incidents | | |
|---|---|---|---|
| | Total | Governance | Employee |
| | (1) | (2) | (3) |
| Panel A: Contact | | | |
| Contact | 0.2502*** | 0.3414*** | 0.2573*** |
| | (0.0815) | (0.0775) | (0.0936) |
| Panel B: Direct communication | | | |
| Direct communication | 0.2509*** | 0.3425*** | 0.2581*** |
| | (0.0815) | (0.0775) | (0.0936) |
| Panel C: Meeting | | | |
| Meeting | 0.2012** | 0.2915*** | 0.1674 |
| | (0.1025) | (0.1046) | (0.1122) |
| Controls | Yes | Yes | Yes |
| Industry × Year FE | Yes | Yes | Yes |
| Observations | 24,367 | 23,779 | 23,488 |

**Table A7:** Robustness: Epstein Contact and RepRisk Incidents

This table reports a three-panel robustness summary for the headline OLS regression of total RepRisk incidents on the Epstein contact measure reported in Table 3. Panel A uses the Claude classification of the DOJ corpus with the common-surname filter applied; Panel B uses an independent classification of the same corpus produced by DeepSeek, also with the filter applied; Panel C uses the Claude classification without the surname filter. Each column reports a separate OLS regression with firm and year fixed effects, the standard control set, and standard errors clustered at the firm level. Column (1) raises the contact threshold, retaining only directors with at least 50 distinct contact-flagged DOJ files. Column (2) restricts the sample to 2008–2019. Column (3) replaces the count with the *Bad apple* measure, defined as $\log(1 + \max$ files per director), where the inner term is the maximum number of distinct DOJ files credited to any single director on the board over a rolling three-year window. This measure is larger when a single director (the bad apple) had an especially intensive contact relationship with Epstein. Column (4) replaces the count with $\log(1 +$ contact directors), the log of one plus the number of contact-flagged directors on the board. ***, **, * denote significance at the 1%, 5%, and 10% levels.

| | Dependent variable: Total RepRisk incidents | | | |
|---|---|---|---|---|
| | (1) | (2) | (3) | (4) |
| Panel A: Claude classification (removing common surnames) | | | | |
| Contact | 4.3060*** | 1.0879*** | 0.6187*** | 2.2688*** |
| | (1.4372) | (0.3093) | (0.1843) | (0.5178) |
| $R^2$ | 0.785 | 0.812 | 0.785 | 0.785 |
| Panel B: DeepSeek classification (removing common surnames) | | | | |
| Contact | 2.8486** | 1.0660 | 0.8059*** | 2.8299** |
| | (1.3424) | (0.6783) | (0.3087) | (1.1282) |
| $R^2$ | 0.784 | 0.812 | 0.784 | 0.784 |
| Panel C: Claude classification (no surname filter) | | | | |
| Contact | 2.3931*** | 0.7811*** | 0.3550*** | 1.6030*** |
| | (0.8655) | (0.2529) | (0.1232) | (0.4101) |
| $R^2$ | 0.784 | 0.812 | 0.784 | 0.785 |
| Variable definition | Only $\geq 50$ contacts | Sample 2008–2019 | Bad apple (log) | Log # directors |
| Firm + Year FE | Yes | Yes | Yes | Yes |
| Controls | Yes | Yes | Yes | Yes |
| Obs. | 24,471 | 22,659 | 24,471 | 24,471 |

**Table A8:** Robustness: Epstein Contact and RepRisk Incidents — Timing and Frequency

This table reports timing and frequency robustness for the headline OLS regression of RepRisk incidents on *Contact* in Table 3. Each row reports a separate OLS regression where the dependent variable is the number of RepRisk incidents indicated in the column header. Panel A uses annual firm-year observations and measures the outcome at $t+1$; Panel B uses firm-quarter observations and measures the outcome as cumulative RepRisk incidents over $q+1$ through $q+4$. *Contact* is the number of frequent-contact directors with an Epstein contact connection who served on firm $i$'s board during the indicated exposure window. All specifications include the standard controls, firm fixed effects, and calendar-time fixed effects: year fixed effects in Panel A and quarter fixed effects in Panel B. Standard errors clustered at the firm level are in parentheses. ***, **, * denote significance at the 1%, 5%, and 10% levels.

| | Dependent variable: RepRisk incidents | | |
|---|---|---|---|
| | Total | Governance | Employee |
| | (1) | (2) | (3) |
| Panel A: Annual frequency | | | |
| $t-1$ through $t$ (2-year) | 1.4982*** | 0.8648*** | 0.3747*** |
| | (0.4220) | (0.2065) | (0.1235) |
| $t-2$ through $t$ (3-year baseline) | 1.5726*** | 0.8545*** | 0.3442*** |
| | (0.3589) | (0.1904) | (0.0854) |
| $t-3$ through $t$ (4-year) | 1.9120*** | 0.9931*** | 0.4508*** |
| | (0.4406) | (0.2270) | (0.1065) |
| $t-4$ through $t$ (5-year) | 2.1245*** | 1.1085*** | 0.4934*** |
| | (0.4566) | (0.2359) | (0.1041) |
| Observations | 24,518 | 24,518 | 24,518 |
| Controls | Yes | Yes | Yes |
| Firm + Year FE | Yes | Yes | Yes |
| $R^2$ | 0.785 | 0.689 | 0.673 |
| Panel B: Quarterly frequency | | | |
| Trailing 8 quarters (2-year) | 1.1241*** | 0.5555*** | 0.2803*** |
| | (0.2649) | (0.1234) | (0.0679) |
| Trailing 12 quarters (3-year baseline) | 1.4436*** | 0.6778*** | 0.3402*** |
| | (0.3251) | (0.1472) | (0.0732) |
| Trailing 16 quarters (4-year) | 1.6207*** | 0.7641*** | 0.3865*** |
| | (0.3459) | (0.1564) | (0.0779) |
| Trailing 20 quarters (5-year) | 1.7753*** | 0.8460*** | 0.4315*** |
| | (0.3646) | (0.1647) | (0.0830) |
| Observations | 94,484 | 94,484 | 94,484 |
| Controls | Yes | Yes | Yes |
| Firm + Quarter FE | Yes | Yes | Yes |
| $R^2$ | 0.810 | 0.726 | 0.726 |

**Table A9:** Norm Contagion (Firms)

This table re-estimates Table 5, replacing the average-intensity contagion measure with an average-breadth measure. Each column reports a separate OLS regression where the dependent variable is the annual count of RepRisk incidents (total, governance, and employee incidents). *Contact* is the number of *frequent*-contact directors who served on firm $i$'s board during the rolling three-year window ($t-2$ through $t$); a frequent-contact director appears in $\geq 5$ contact-flagged DOJ documents and has a surname that is not among the 100 most common in the 2000 U.S. Census. *Network expansion* is the change in firm $i$'s eigenvector-centrality *rank* (percentile) when Epstein-mediated edges are added to the board-interlock network, standardized to mean zero and unit standard deviation within each year (same definition as Table 5). *Norm contagion (breadth)* is the *fraction* of firm $i$'s board-interlock neighbors that have at least one Epstein-connected director (tainted neighbors divided by board degree), likewise standardized within year; dividing by board degree normalizes out firm-level heterogeneity in raw board connectedness, so the measure captures the share of a firm's connections that are exposed rather than their count. Because both network measures are standardized, their coefficients give the effect of a one-standard-deviation increase, whereas *Contact* enters in levels (the effect of one additional frequent-contact director). Columns (1)–(3) include Fama–French 48 industry × year fixed effects; columns (4)–(6) include firm and year fixed effects. Controls include log assets, ROA, book-to-market, leverage, asset growth, board size, and board fraction independent. Standard errors clustered at the firm level. ***, **, * denote significance at the 1%, 5%, and 10% levels.

| | Dependent variable: RepRisk incidents (level) | | | | | |
|---|---|---|---|---|---|---|
| | Total | Governance | Employee | Total | Governance | Employee |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Contact | 3.6679*** | 1.6221*** | 0.7499*** | 1.5250*** | 0.8250*** | 0.3335*** |
| | (0.8891) | (0.4077) | (0.1628) | (0.3586) | (0.1896) | (0.0866) |
| Network expansion | 0.0222 | 0.0085 | −0.0144 | −0.0720 | −0.0120 | −0.0338 |
| | (0.0937) | (0.0393) | (0.0186) | (0.0912) | (0.0472) | (0.0209) |
| Norm contagion (breadth) | 0.3997*** | 0.1669*** | 0.0922*** | 0.1009** | 0.0555** | 0.0264** |
| | (0.1081) | (0.0454) | (0.0224) | (0.0484) | (0.0236) | (0.0109) |
| Controls | Yes | Yes | Yes | Yes | Yes | Yes |
| Ind × Year FE | Yes | Yes | Yes | No | No | No |
| Firm + Year FE | No | No | No | Yes | Yes | Yes |
| Observations | 24,518 | 24,518 | 24,518 | 24,471 | 24,471 | 24,471 |
| $R^2$ | 0.270 | 0.232 | 0.231 | 0.785 | 0.689 | 0.672 |