

## DOCUMENT SUMMARY

To: Leon D. Black  
From: Ada Clapp  
Date: April 12, 2013  
cc: Eileen Alexanderson, Jeffrey Epstein  
Re: Debra and Leon D. Black Insurance Trust dated September 14, 1992

---

Following is a summary of the agreement (the "Trust Agreement") creating The Debra and Leon D. Black 1992 Insurance Trust (the "Trust") which was prepared for you by Stroock & Stroock & Lavan. You are the Settlers of the Trust.

I understand that the Trust holds two survivorship insurance policies on the joint lives of you and Debra, each with a \$10 million death benefit.

I. Dispositive Provisions during Your and Debra's lifetimes.

- A. While you and Debra are living, the Trust will be largely inactive (as I understand that the Trust holds no assets other than the insurance policies). Each time premiums are paid to the Trust, one or more trust beneficiaries have the right to withdraw a portion of the premium amount and those beneficiaries must receive notice of this withdrawal right. These procedures are described in Article EIGHTH of the Trust Agreement.
- B. While either you or Debra is living, the Trustees have broad discretion to distribute income and/or principal to any of your descendants.

II. Dispositive Provisions after Survivor's death. Upon the death of the survivor of you and Debra, the Trust principal will be divided into shares *per stirpes* for your descendants (that is, in equal shares for your children with the share for any predeceased child being further subdivided for such child's descendants). Each such share will be held in a separate trust (a "Beneficiary's Trust") for the descendant for whose benefit the share was set apart (the "Beneficiary") and disposed of as follows:

- A. Until the Beneficiary attains age 25, the Trustee has broad discretion to distribute income from the Beneficiary's Trust to the Beneficiary. After age 25, the Beneficiary will receive all income at least quarterly.
- B. The Trustee has broad discretion to distribute principal of the Beneficiary's Trust to the Beneficiary for any purpose. You authorize the Trustee, if advisable, to distribute 1/4 of the Trust principal to the Beneficiary at age 30, another 1/3 at age 35, another 1/2 at age 40 and the balance of the principal at age 45.

- C. The Beneficiary's Trust will terminate upon the Beneficiary's death<sup>1</sup> and be distributed to the Beneficiary's descendants, or if none, to the descendants of the Beneficiary's parent who was a child of yours, or if none, to your descendants, subject in each case to a Beneficiary's Trust.
- III. Contingent Beneficiaries. If none of your descendants is living upon the termination of any trust under the Trust Agreement, the principal of such trust shall be disposed of as follows:
- A. One-third thereof (or all thereof if none of Debra's brothers or their descendants is then living) will be distributed to your sister Judy or to her descendants if she is not then living.
- B. Two-thirds thereof (or all thereof if none of Judy or her descendants is then living) will be distributed in equal shares to Debra's brothers, Bruce, John, Richard and Anthony, with the share for any deceased brother passing to his descendants.
- IV. Trustees.
- A. Barry J. Cohen is the initial Trustee. Barry may appoint additional and successor Trustees.
- B. No more than three Trustees of any trust shall serve at any time and any Trustee may resign by instrument in writing filed with the other then serving Trustees.
- C. Because the Trust Agreement is silent regarding compensation, your Trustees will be entitled to the compensation provided by New York law.<sup>2</sup>
- V. Governing Law. New York law governs the trusts under the Trust Agreement.

**IRS Circular 230 Disclosure:** Pursuant to IRS Regulations, I inform you that any tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used by any person or entity for the purpose of (i) avoiding tax related penalties imposed by any governmental tax authority or agency, or (ii) promoting, marketing or recommending to another party any transaction or matter discussed herein. I advise you to consult with an independent tax advisor on your particular tax circumstances.

---

<sup>1</sup> To comply with state law limiting the period which property can remain in trust, any Beneficiary's Trust for a Beneficiary who was not living on the date the Trust Agreement was signed will terminate no later than 21 years after the death of the last survivor of your children, your sister Judy Black and Debra's brothers Bruce, John, Richard and Anthony Ressler.

<sup>2</sup> Under current New York law, an individual Trustee is entitled to an annual commission of approximately 30 basis points on the value of the trust principal, plus 1% of any principal distributions made that year.