

Estate Planning Overview

Presented to:

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

May 16, 2014

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Leon D. and Debra R. Black

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All tax calculations herein are merely estimates and should not be relied upon for detailed tax planning purposes. All income taxes are based on flat tax rates and do not take all the details of a state's income tax laws into account.

This analysis is based on the calendar year. All assets and liabilities are valued at the end of each year. Deaths are also assumed to occur at the end of each year. For the first year of the analysis only, annual returns are prorated on a daily basis.

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Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Assumptions

Exemption Amounts:	Leon	Debra
Prior Taxable Gifts	\$ 5,340,000	\$ 5,120,000
Available Unified Credit Amount	\$ -	\$ 220,000
Prior GST Exemption Allocation	\$ 3,500,000	\$ 4,173,596
Available GST Exemption Amount	\$ 1,840,000	\$ 1,166,404

Year	Federal Estate Tax Exclusion & GST Exemption Amounts	Federal Estate Tax Credit	Highest Federal Estate Tax Rate	Highest New York Estate Tax Rate
2014	\$ 5,340,000	\$ 2,081,800	40%	16%

Notes and Assumptions:

- Leon and Debra are presumed to die in 2014 with Leon immediately predeceasing Debra.
- Debra's Will and Revocable Trust provisions are presumed to mirror those in Leon's documents.
- Administration expenses are assumed to be \$5 million in Leon's estate and are assumed to be 2% of Debra's probate estate.
- Valuation discounts totaling 30% are applied to the value of Black Family Partners, L.P. interests.
- The value of the GRATs is "frozen" on Leon's presumed date of death. Because the GRATs had not terminated, the annuity amounts still payable from the GRATs and any principal value above this amount will be included in Leon's estate (the "Includible Portion"). Because the annuity payments to be received by his estate ("GRAT Annuity Receivables") exceed the date of death value of the GRATs, the Includible Portion will pass entirely to the Marital Trust in satisfaction of the GRAT Annuity Receivables.
- Judy Black was born on September 27, 1948.
- Jon Ressler is assumed to be age 60.
- 100% charitable deduction is assumed for fractional interests in art pledged to museums.

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Inventory of Family Assets as of April 16, 2014

	Leon	Debra	Total
Personal Assets			
Liquid Assets - Investment Accounts			
U.S. Trust Cash Account	\$ 25,587,000	\$ 5,562,000	\$ 31,149,000
JPM Cash/Marketable Securities	8,556,000	6,927,000	15,483,000
Investments			
Art-held through Entities	1,500,000,000	-	1,500,000,000
Collectibles (individually owned art, rare books, bronzes)	402,295,000	-	402,295,000
* Includible Portion of GRATs	1,600,331,000	-	1,600,331,000
Black Family Partners LP (8.0%) - DISCOUNT 30%	167,641,000	-	167,641,000
AP Alternative Assets	21,655,000	-	21,655,000
Apollo Related Investments	5,247,000	-	5,247,000
Investment Partnerships - Various	1,545,000	-	1,545,000
Avionetta LLC: (LDB 50.1%, DRB 49.9%) - AT COST	13,879,000	13,824,000	27,703,000
BJAV Marine Ltd. (Starfire)	22,121,000	-	22,121,000
Real Estate - Personal			
Jointly Owned Residences	38,200,000	38,200,000	76,400,000
Narrow's Road Parcel	-	10,000,000	10,000,000
750 Meadow Lane	16,600,000	-	16,600,000
Tangible Personal Property			
Household Property	11,562,000	11,562,000	23,124,000
Jewelry	-	46,468,000	46,468,000
Automobiles	419,000	-	419,000
Total Personal Assets	\$ 3,835,638,000	\$ 132,543,000	\$ 3,968,181,000
Personal Liabilities			
Loan payable-Bank of America (Art)	(470,000,000)	-	(470,000,000)
Loan payable-Bank of America (Avionetta Hldgs)	(11,135,000)	(11,090,000)	(22,225,000)
Loan payable-Bank of America (BJAV Marine)	(17,897,000)	-	(17,897,000)
Loan payable - to APO1 Trust	(1,694,738,000)	-	(1,694,738,000)
Loan payable - Black Family Partners LP	(42,000,000)	-	(42,000,000)
Total Personal Liabilities	\$ (2,235,770,000)	\$ (11,090,000)	\$ (2,246,860,000)
Total Net Estate Assets	\$ 1,599,868,000	\$ 121,453,000	\$ 1,721,321,000
Non-Includible Trust Assets			
APO1 Agreement			\$ 1,976,541,000
APO2 Declaration			622,577,000
Black 2011 Family Trusts (LDB 2011 LLC)			279,619,000
1999 Life Insurance Trust #2 (death benefit)			100,000,000
1992 Life Insurance Trust (death benefit)			20,000,000
Mallory Trust			4,124,000
Black 1997 GST Exempt Trust			3,007,000
Total Trust Assets			\$ 3,005,868,000
Total Family Assets			\$ 4,727,189,000

* GRAT Annuity Receivables

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Estate Flow Chart Upon Leon's Death

Executors: Debra Black, Barry Cohen
and Richard Ressler

Leon Black Gross Estate	
Probate Property	\$ 2,197,107,000
Non Probate Property	38,200,000
Includible Portion of GRATs	1,600,331,000
Gross Estate	\$ 3,835,638,000

Non Probate Property Outright to Debra	
1/2 of Joint Residences	\$ 38,200,000
Total	\$ 38,200,000

Last Will and Testament	
Probate Estate	\$ 3,797,438,000
Administration Expenses	(5,000,000)
Charitable Pledges	(29,860,000)
Liabilities Due Upon Leon's Death	(541,032,000)
Residuary Assets	\$ 3,221,546,000
Loan payable - to APO1 Trust	(1,694,738,000)
Net Residue to Revocable Trust	\$ 1,526,808,000

Charitable Pledges	
Dartmouth Pledge	\$ 19,129,000
Art Pledged to Museums	10,731,000
Total	29,860,000

Trustees: Debra Black, Barry Cohen
and Richard Ressler

L. B. Revocable Trust Agreement	
Residuary Assets:	\$ 3,221,546,000
Art Entities & Collectibles to Marital Trust	
Tangibles to Debra	(11,981,000)
Bequest/Annuity (Melanie & Judy)	(10,254,000)
NY Estate Tax	(2,609,048)
Federal Estate Tax	(6,812,000)
Balance of Revocable Trust Residue	\$ 3,189,889,952
Loan payable - to APO1 Trust	(1,694,738,000)
Net to Marital Trust	\$ 1,495,151,952

Tangibles Outright Bequest to Debra	
Tangible Property	\$ 11,981,000
Total	\$ 11,981,000

Cash Bequest	
Bequest to Melanie Spinella	\$ 3,000,000
Total Cash Legacies	\$ 3,000,000

Lifetime Annuity for Judy Black	
Annuity	\$ 7,254,000
Total Annuity	\$ 7,254,000

Marital Trusts	
GST Exempt Marital Trust	\$ 1,840,000
Non-Exempt Marital Trust:	
Art Entities & Collectibles	1,421,564,000
750 Meadow Lane	16,600,000
Includible Portion of GRATs	1,600,331,000
Balance of Revocable Trust Residue	149,554,952
Total Marital Trust Assets	\$ 3,189,889,952
Loan payable - to APO1 Trust	(1,694,738,000)
Net Marital Trust Assets	\$ 1,495,151,952

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Estate Flow Chart Upon Debra's Death

Trustees of Marital Trusts upon Debra's death:
Barry Cohen and Richard Ressler

Lifetime Annuity for Jon Ressler	
Annuity \$	8,484,000
\$	8,484,000

Debra Black Marital Trusts (Under L. B. Revocable Trust)	
Net Value of Marital Trusts*	\$ 1,495,151,952
Annuity for Jon Ressler	(8,484,000)
GST Exempt Marital Trust to 97 Exempt Tr.	(1,840,000)
Debra's GST Amount to 97 Exempt Tr.	(1,166,404)
Charitable Pledges (Art) to Museums	(24,533,600)
750 Meadow Lane to Heritage Trust	(16,600,000)
NY Estate Tax	(231,125,332)
Federal Estate Tax	(486,482,301)
Marital Trust Residue	\$ 724,920,315
Art Selected for Heritage Trust	(696,473,315)
Residue Passes to Foundation	\$ 28,447,000

1997 GST Exempt Trust	
Trust Assets	\$ 3,007,000
GST Exempt Marital Trust	1,840,000
Debra's GST Amount	1,166,404
Total 1997 GST Exempt Trust	\$ 6,013,404

Charitable Pledges	
Art Pledged to Museums	\$ 24,533,600
	\$ 24,533,600

Debra Black Gross Estate	
Probate Property*	\$ 171,634,000
Gross Probate Estate	\$ 171,634,000

Last Will and Testament	
Gross Probate Estate	\$ 171,634,000
Administration Expenses (2%)	(3,433,000)
Residuary Estate	\$ 168,201,000
Passes to Revocable Trust	

Leon Black Family Foundation	
Marital Trust Residue	\$ 28,447,000
Debra's Revocable Trust Residue	-
Total Added Upon Debra's Death:	\$ 28,447,000

Heritage Trust	
1 Parcel Meadow Lane	\$ 16,700,000
750 Park Ave	2,000,000
Arizona Residence	1,000,000
750 Meadow Lane	16,600,000
Art Entities & Collectibles to Legacy Trusts	696,473,315
Total Added Upon Debra's Death:	\$ 732,773,315

Revocable Trust Agreement of Debra Black	
Residuary Estate	\$ 168,201,000
Residences to Heritage Trust	(19,700,000)
Tangibles & Jewelry to Children	(67,771,867)
NY Estate Tax	(26,001,044)
Federal Estate Tax	(54,728,089)
Revocable Trust Residue	\$ -
Passes to Foundation	

Tangibles Outright to Children in Equal Shares	
Tangible Property	\$ 67,771,867

*See inventory of Debra's Taxable Estate.

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Estimated Estate Tax Calculations

Leon's Gross Estate		\$ 3,835,638,000
Less Deductions:		
Liabilities	(2,235,770,000)	
Administration Expenses	(5,000,000)	
Charitable Deduction	(29,860,000)	
Marital Deduction	(1,545,368,952)	
Estimated New York Estate Tax	(2,609,048)	
Plus: Adjusted Taxable Gifts	5,340,000	
Taxable Estate	\$ 22,370,000	
Tentative Federal Estate Tax	8,893,800	
Less Credits/Payments:		
Unified Credit	(2,081,800)	
Gift Taxes Paid	-	
Estimated Federal Estate Tax	\$ 6,812,000	
Estimated New York Estate Tax	\$ 2,609,048	
Total Estate Tax Due Upon Leon's Death	\$ 9,421,048	

Debra's Gross Estate		\$ 3,361,523,952
Less Deductions:		
Liabilities	(1,694,738,000)	
Administration Expenses	(3,433,000)	
Charitable Deduction	(52,980,600)	
Marital Deduction	-	
Estimated New York Estate Tax	(257,126,376)	
Plus: Adjusted Taxable Gifts	5,120,000	
Taxable Estate	\$ 1,358,365,976	
Tentative Federal Estate Tax	543,292,190	
Less Credits/Payments:		
Unified Credit	(2,081,800)	
Gift Taxes Paid	-	
Estimated Federal Estate Tax	\$ 541,210,390	
Estimated New York Estate Tax	\$ 257,126,376	
Total Estate Tax Due Upon Debra's Death	\$ 798,336,767	

Combined Federal Estate Tax	\$ 548,022,390
Combined NY Estate Tax	259,735,424
Total Combined Federal & NY Estate Tax	\$ 807,757,814

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Inventory of Debra's Taxable Estate Following Leon's Death

Marital Trust Assets:	
Art Entities & Collectibles	1,421,564,000
750 Meadow Lane	16,600,000
Includible Portion of GRATs	1,600,331,000
Black Family Partners LP (8.0%) - DISCOUNT 30%	121,107,952
AP Alternative Assets	21,655,000
Apollo Related Investments	5,247,000
Investment Partnerships - Various	1,545,000
Liquid assets in GST Ex Marital Trust	1,840,000
Loan payable - to APO1 Trust	(1,694,738,000)
Total Marital Trust Assets:	1,495,151,952
Debra's Probate Assets:	
U.S. Trust Cash Account	\$ 5,562,000
JPM Cash/Marketable Securities	6,927,000
Residences (Formerly Joint)	76,400,000
Narrow's Road Parcel	10,000,000
Household Property	23,124,000
Jewelry	46,468,000
Automobiles	419,000
Net Proceeds of sale of Avionetta (49.9%)	2,734,000
Total of Debra's Probate Assets:	171,634,000

Leon D. and Debra R. Black

Overview of Estate Plan

Cash Needs on Leon's Death

Cash Needed at Leon's Death for Expenses Taxes & Bequests	
GST Bequest	1,840,000
Administration Expenses	5,000,000
NY Estate Tax	2,609,048
Fed Estate Tax	6,812,000
Dartmouth Pledge	19,129,000
Bequest to Melanie	3,000,000
Annuity for Judy	7,254,000
Loan payable-Bank of America (Art)	470,000,000
Loan payable-Bank of America (BJAV Marine)	17,897,000
Loan payable-Bank of America (Avionetta Hldgs)	11,135,000
Loan payable - Black Family Partners LP	42,000,000
Total Cash Needed at Leon's Death for Expenses Taxes & Bequests	\$ 586,676,048

Allocation of Available Cash	
U.S. Trust Cash Account	25,587,000
GST Bequest	1,840,000
Administration Expenses	5,000,000
NY Estate Tax	2,609,048
Fed Estate Tax	6,812,000
Annuity for Judy	7,254,000
Balance	2,071,952
JPM Cash/Mark JPM Cash/Marketable Securities	8,556,000
Bequest to Melanie	3,000,000
Balance	5,556,000
Total Remaining Available Cash	\$ 7,627,952

Allocation of Cash to be Raised		
Art and Collectibles	1,902,295,000	
Sold to pay: Bank of America loan (Art)	<u>-470,000,000</u>	470,000,000
	1,432,295,000	
BJAV Marine-Yacht	22,121,000	22,121,000
Sold to pay: Bank of America loan	<u>-17,897,000</u>	
	4,224,000	
Avionetta-Airplane (Leon's 50.1%)	13,879,000	13,879,000
Sold to pay: Bank of America loan	<u>-11,135,000</u>	
	2,744,000	
Black Family Partners, LP Interests (8%)	167,641,000	
Sold to pay: Loan to Black Family Partners, LP.	<u>-42,000,000</u>	42,000,000
Sold to pay: Dartmouth Pledge	<u>(4,533,048)</u>	4,533,048
	121,107,952	
Dartmouth Pledge		
US Trust Cash Account balance	2,071,952	
JPM Account balance	5,556,000	
Yacht sale proceeds-balance	4,224,000	
Airplane sale proceeds-balance	2,744,000	
BFP Sale proceeds	<u>4,533,048</u>	
	19,129,000	
Total Cash Raised		\$ 552,533,048
Total Cash Available and Raised		\$ 586,676,048

Leon D. and Debra R. Black

Overview of Estate Plan

Cash Needs on Debra's Death - Debra's Estate

Cash Needed in Debra's Estate for Bequests, Debts, Expenses and Taxes		
Administration Expenses		3,433,000
NY Estate Tax		26,001,044
Fed Estate Tax		54,728,089
Total Cash Needed		84,162,133
Allocation of Available Cash		
US Trust Cash Account		5,562,000
JPM Cash/Marketable Securities		6,927,000
Avionetta Sale Proceeds		2,734,000
Total Available Cash		15,223,000
Administration Expenses		-3,433,000
Total Remaining Available Cash		11,790,000
Allocation of Cash to be Raised		
Residences Sold to Pay Estate Tax		
760 Park Avenue	20,000,000	
All Narrows Rd. Parcels	30,000,000	
1 Parcel Meadow Lane	16,700,000	
Total Residence Proceeds	66,700,000	
Jewelry Sold to Pay Estate Tax		
Total Jewelry in Estate	46,468,000	
Sold to pay NY Estate Tax	-2,239,133	2,239,133
Balance of Jewelry	44,228,867	
Federal Estate Tax		
Residence Sale Proceeds	54,728,089	54,728,089
New York Estate Tax		
Residence Sale proceeds	11,971,911	
Jewelry Sale Proceeds	2,239,133	
Remaining Available Cash	11,790,000	
	26,001,044	11,971,911
Total Cash Raised		68,939,133
Total Cash Available and Raised		84,162,133

Leon D. and Debra R. Black

Overview of Estate Plan

Cash Needs on Debra's Death - Marital Trust

Cash Needed in Marital Trust on Debra's Death for Bequest, Debts, Expenses and Taxes			
	Loan Payable- APO1 Trust		1,694,738,000
	Annuity For Jon		8,484,000
	Bequest of Debra's GST Amount		1,166,404
	NY Estate Tax		231,125,332
	Fed Estate Tax		486,482,301
Total Cash Needed			2,421,996,037
Allocation of Cash to be Raised			
Black Family Partners LP Interests to be Distributed			
	BFP Interest in Marital Trust	1,721,438,952	
Distributed	BFP (Includible Portion of GRATs)	-1,600,331,000	
Distributed	BFP (8% from LDB)	-94,407,000	
Sold	To pay Jon's Annuity	-8,484,000	
Sold	To pay Debra's GST bequest	-1,166,404	
Sold	To pay Taxes	-17,050,548	
	Balance of BFP	0	
Loan Payable APO1 Trust			
	BFP Interests Distributed	1,694,738,000	1,694,738,000
Art and Collectibles Sold and Distributed			
	Art and Collectibles in Marital Trust	1,421,564,000	
Distributed	To Museums	-24,533,600	
Sold	To pay tax	-700,557,085	
	Balance of Art and Collectibles	696,473,315	
Annuity for Jon			
	BFP sale proceeds	8,484,000	8,484,000
Bequest of GST Amount			
	BFP sale proceeds	1,166,404	1,166,404
New York Estate Tax			
	Art sale proceeds	231,125,332	231,125,332
Federal Estate Tax			
	BFP sale proceeds	17,050,548	
	Art sale proceeds	469,431,753	
		486,482,301	486,482,301
Total Cash Raised			\$ 2,421,996,037

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Heritage Trust Flow Chart - Following Debra's Death

Trustees: Barry Cohen, Richard Ressler, John Hannan,
Benjamin Black, Joshua Black, Alexander Black and Victoria Black

Heritage Trust	
Trust Assets (Net of Liabilities)	\$ -
Added Upon Debra's Death:	
750 Meadow Lane	16,600,000
Debra's Residences	19,700,000
Art Selected for Legacy Trusts	696,473,315
Total	\$ 732,773,315

Single "Pot" Trust

A single Heritage Trust is created for Debra and Leon's descendants and four separate Legacy Trusts are created (one for each of Leon's children).

The Trustees may distribute income and principal to Debra and Leon's descendants, subject to the distribution guidelines outlined in the Trust Agreement.

After Leon's death, art and collectibles held in the Heritage Trust designated for a particular child will be distributed to such child's Legacy Trust. After Debra's death, similarly designated items in the Marital Trust will be selected by the Trustees to be held in a child's Legacy Trust.

After Leon's death the Trustees shall distribute the following amounts to each child's Legacy Trust:

- \$10 million when the child attains age 30 (request it is used to acquire a principal residence).
- \$50 million when the child attains age 35.
- \$100 million when the child attains age 40.

If a child dies under age 40, the above amounts will be divided into shares for the child's descendants and each share will be held in a separate Legacy Trust for each such descendant.

Trustees: Barry Cohen, Richard Ressler
and John Hannan

Separate Legacy Trusts

During the beneficiary's life:

- The Trustee may pay the income and principal to the beneficiary subject to distribution guidelines (the descendant's financial acumen, marital discord, creditor claims, pending litigation, or substance abuse).
- Trustees are authorized to invest in a business venture proposed by the beneficiary, so long as it is a career commitment.
- After age 35, the beneficiary is a co-trustee of his/her Legacy Trust.

At the beneficiary's death:

A child may by Will appoint the remaining Trust property among Leon's descendants and up to \$10 million in favor of a spouse. Any property not appointed will be divided in equal shares for the beneficiary's children.

Legacy Trust f/b/o Benjamin E. Black	
Artwork	\$ 174,118,329
Cash Distributions	\$ -

Legacy Trust f/b/o Joshua M. Black	
Artwork	\$ 174,118,329
Cash Distribution	\$ -

Legacy Trust f/b/o Alexander S. Black	
Artwork	\$ 174,118,329
Cash Distribution	\$ -

Legacy Trust f/b/o Victoria R. Black	
Artwork	\$ 174,118,329
Cash Distribution	\$ -

Leon D. and Debra R. Black

Overview of Estate Plan

APO1 Agreement Flow Chart - Following Debra's Death

Trustees: Barry Cohen, Richard Ressler and John Hannan

APO1 Agreement	
Trust Assets	\$ 281,803,000
Repayment of Note Payable	1,694,738,000
Less 34% Capital Gains Tax (Combined Federal, NY & NII Surtax)	(576,210,920)
Total	\$ 1,400,330,080

Single Discretionary Trust

A single Discretionary Trust is created for Debra and Leon's descendants until the Trustees decide to create and fund Separate Trusts for descendants (each called a "Beneficiary" of his/her Trust).

The Trustees may distribute income and principal to Debra and Leon's descendants, subject to the distribution guidelines outlined in the Trust Agreement.

Instead of making distributions to a descendant, the Trustees may distribute to his/her Separate Trust.

Discretionary Trust terminates 21 years after the death of the survivor of Leon's children and Debra. The remaining trust property will be distributed to Leon's descendants or if none, to Leon's estate.

Trustees: Barry Cohen, Richard Ressler and John Hannan
After age 35, each Beneficiary is a co-Trustee of his/her Separate Trust

Separate Trusts

During the Beneficiary's lifetime, the Trustee may pay the income and principal to the Beneficiary after considering the Beneficiary's circumstances (financial acumen, marital discord, creditor claims, pending litigation, substance abuse, etc.).

Each Separate Trust terminates on the Beneficiary's death and is distributed to the Beneficiary's descendants as the Beneficiary appoints by Will. Unappointed property will be divided for the Beneficiary's descendants and held in Separate Trusts subject to the same trust terms and Agreement.

Separate Trust f/b/o Benjamin E. Black

\$ 350,082,520

Separate Trust f/b/o Joshua M. Black

\$ 350,082,520

Separate Trust f/b/o Alexander S. Black

\$ 350,082,520

Separate Trust f/b/o Victoria R. Black

\$ 350,082,520

Leon D. and Debra R. Black

Overview of Estate Plan

APO2 Declaration Flow Chart - Following Debra's Death

Trustees: Barry Cohen, Richard Ressler and John Hannan

APO2 Declaration	
Trust Assets (Net of Liabilities)	\$ 622,577,000
Added Upon Debra's Death:	-
Total	\$ 622,577,000

Single Discretionary Trust

A single Discretionary Trust is created for Debra and Leon's descendants until the Trustees decide to create and fund Separate Trusts for descendants (each called a "Beneficiary" of his/her Trust).

The Trustees may distribute income and principal to Debra and Leon's descendants, subject to the distribution guidelines outlined in the Trust Agreement.

Instead of making distributions to a descendant, the Trustees may distribute to his/her Separate Trust.

Discretionary Trust terminates 21 years after the death of the survivor of Leon's children and Debra. The remaining trust property will be distributed to Leon's descendants or if none, to Leon's estate.

Trustees: Barry Cohen, Richard Ressler and John Hannan
 After age 35, each Beneficiary is a co-Trustee of his/her Separate Trust

Separate Trusts

During the Beneficiary's lifetime, the Trustee may pay the income and principal to the Beneficiary after considering the Beneficiary's circumstances (financial acumen, marital discord, creditor claims, pending litigation, substance abuse, etc.).

Each Separate Trust terminates on the Beneficiary's death and is distributed to the Beneficiary's descendants as the Beneficiary appoints by Will. Unappointed property will be divided for the Beneficiary's descendants and held in Separate Trusts subject to the same trust terms and Agreement.

Separate Trust f/b/o Benjamin E. Black	
\$	155,644,250

Separate Trust f/b/o Joshua M. Black	
\$	155,644,250

Separate Trust f/b/o Alexander S. Black	
\$	155,644,250

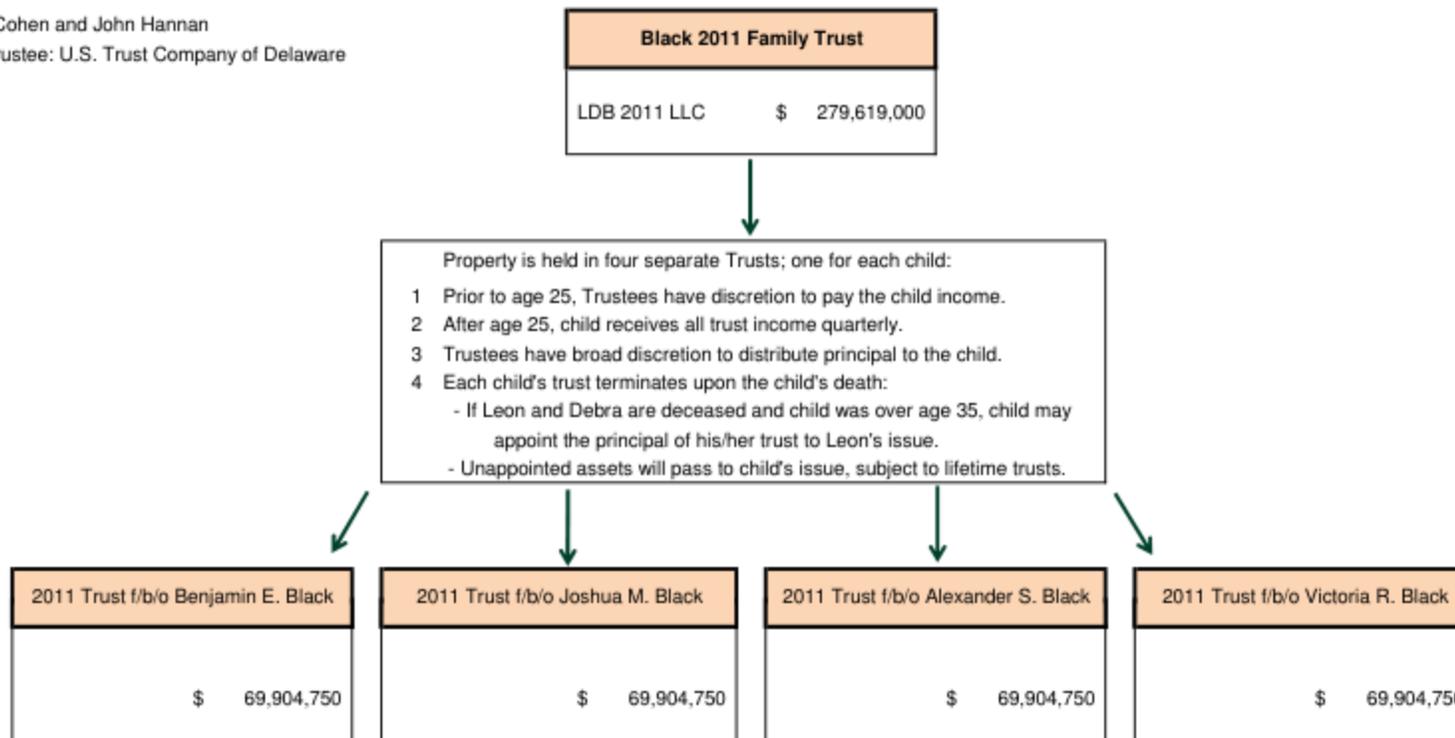
Separate Trust f/b/o Victoria R. Black	
\$	155,644,250

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Black 2011 Family Trust Flow Chart - Following Debra's Death

Trustees: Barry Cohen and John Hannan
Administrative Trustee: U.S. Trust Company of Delaware

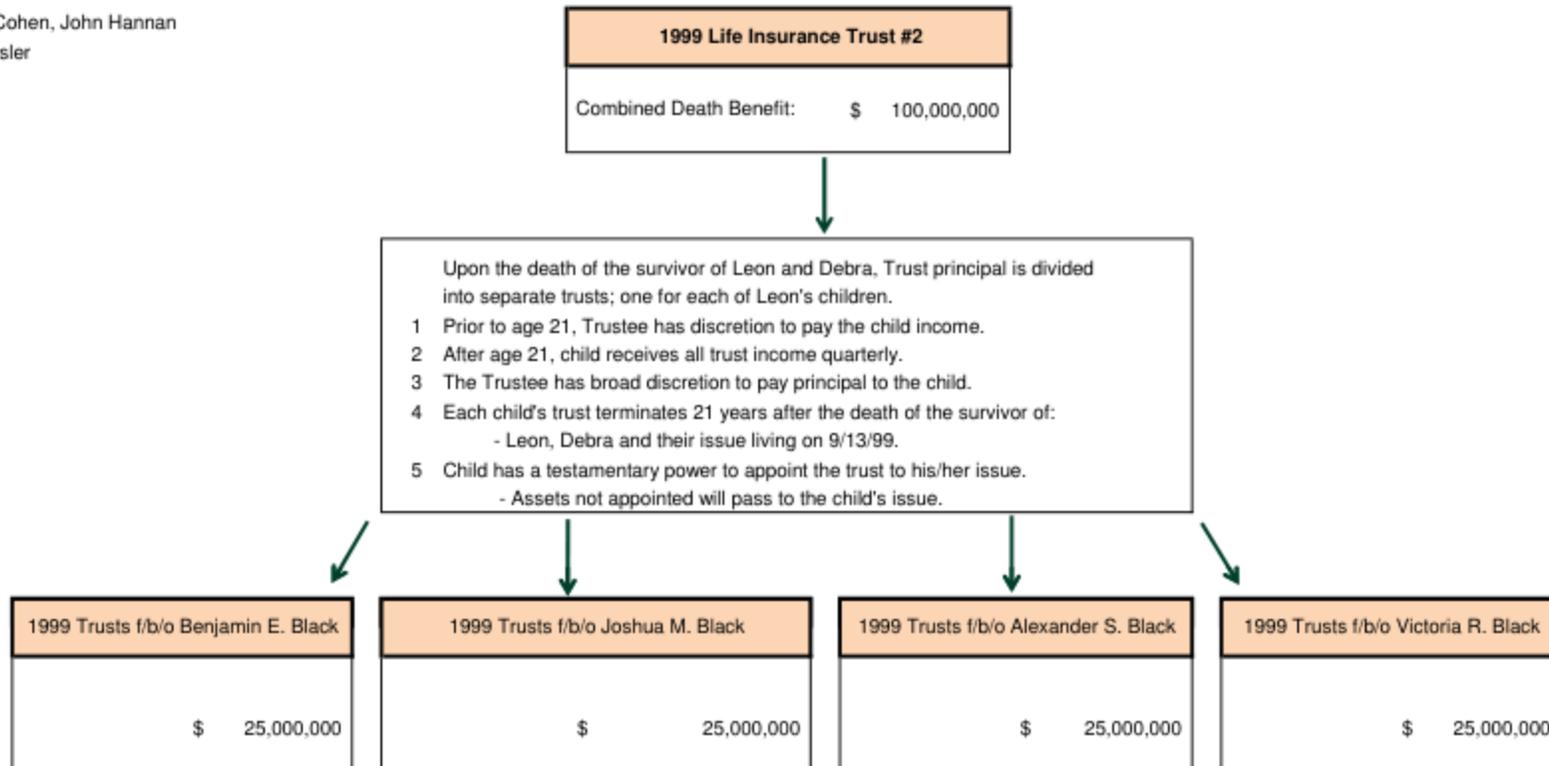


Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Leon D. Black 1999 Life Insurance Trust #2 Flow Chart - Following Debra's Death

Trustees: Barry Cohen, John Hannan
and Richard Ressler

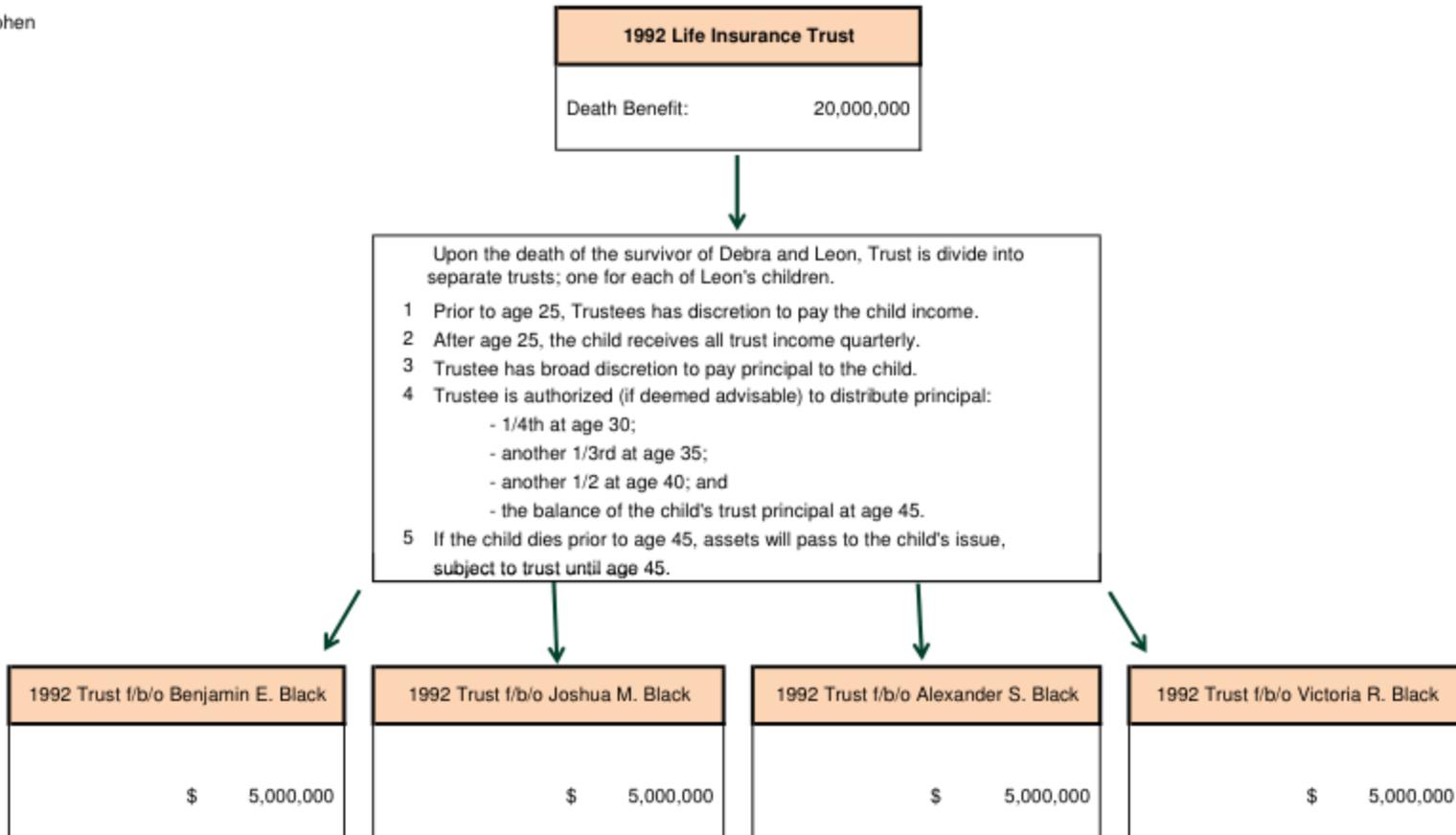


Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Debra and Leon D. Black Life Insurance Trust Flow Chart - Following Debra's Death

Trustee: Barry Cohen

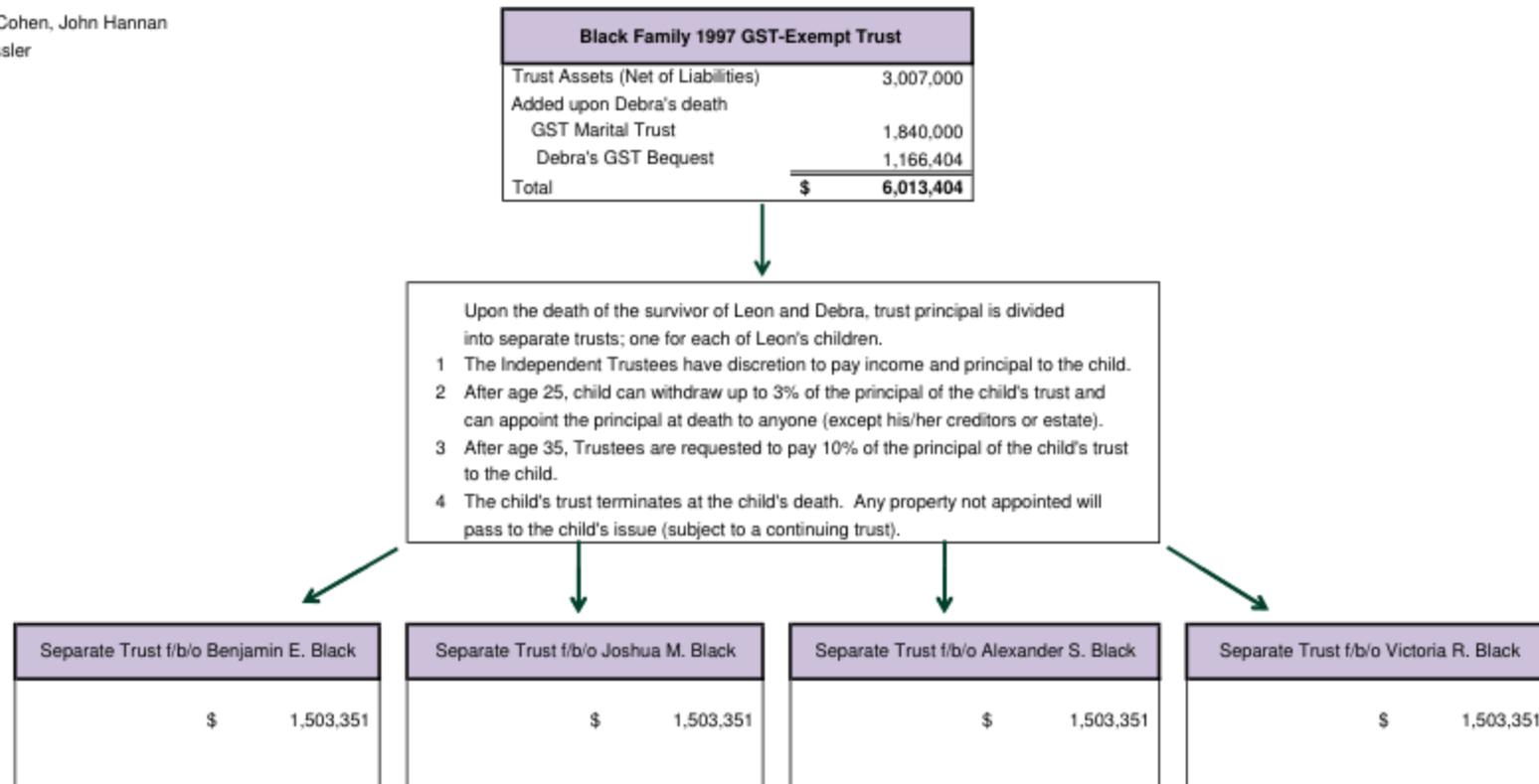


Leon D. and Debra R. Black

Overview of Estate Plan

Black Family 1997 GST-Exempt Trust Flow Chart - Following Debra's Death

Trustees: Barry Cohen, John Hannan
and Richard Ressler



Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Mallory Trust Flow Chart - Following Debra's Death

Trustee: Richard Ressler

Mallory Trust	
Assets	\$ 4,124,000

Upon the death of the survivor of Leon and Debra, any property not appointed by Leon at his death will be divided into per stirpital shares for Debra's descendants.

1. Each share for a descendant of Debra will be held in a separate Trust for the lifetime of the beneficiary:
 - The Independent Trustee must distribute income and principal needed for the beneficiary's health, education, support and maintenance.
 - The Independent Trustees also has broad discretion to distribute income and principal to the beneficiary for any purpose.
 - After age 35, the beneficiary may appoint income and principal among Debra's descendants.
2. At the beneficiary's death:
 - The beneficiary's Trust will terminate and will be distributed as the beneficiary appoints. Any property not appointed will be distributed to his/her descendants, subject to the same trust terms.

Trustees: After age 35, a child can be co-Trustee of his/her separate Trust.

Trust f/b/o Benjamin Eli Black	Trust f/b/o Joshua Max Black	Trust f/b/o Alexander S. Black	Trust f/b/o Victoria R. Black
\$ 1,031,000	\$ 1,031,000	\$ 1,031,000	\$ 1,031,000

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Distributions to Children and Charitable Institutions Upon Leon's/Debra's Death

Family					
	Dispositive Provisions	Upon Leon's Death	Upon Debra's Death	Lifetime Planning	
Benjamin Eli Black					\$ 808,302,200
APO1 Agreement	Trust for Life			350,082,520 *	
APO 2 Declaration	Trust for Life			155,644,250	
1992 Insurance Trust	Trust until age 45	-	-	5,000,000	
1999 Insurance Trust #2	Trust for Life	-	-	25,000,000	
Heritage and Legacy Trust	Trust for Life	-	183,193,329	-	
1997 GST Exempt Trust	Trust for Life		751,601	751,750	
Black 2011 Family Trust	Trust for Life			69,904,750	
Mallory Trust	Trust for Life	-		1,031,000	
Tangibles Outright from Debra's Estate	Outright	-	16,943,000	-	
Joshua Max Black					\$ 808,302,200
APO1 Agreement	Trust for Life			350,082,520 *	
APO 2 Declaration	Trust for Life			155,644,250	
1992 Insurance Trust	Trust until age 45	-	-	5,000,000	
1999 Insurance Trust #2	Trust for Life	-	-	25,000,000	
Heritage and Legacy Trust	Trust for Life	-	183,193,329	-	
1997 GST Exempt Trust	Trust for Life		751,601	751,750	
Black 2011 Family Trust	Trust for Life			69,904,750	
Mallory Trust	Trust for Life	-		1,031,000	
Tangibles Outright from Debra's Estate	Outright	-	16,943,000	-	
Alexander S. Black					\$ 808,302,200
APO1 Agreement	Trust for Life			350,082,520 *	
APO 2 Declaration	Trust for Life			155,644,250	
1992 Insurance Trust	Trust until age 45	-	-	5,000,000	
1999 Insurance Trust #2	Trust for Life	-	-	25,000,000	
Heritage and Legacy Trust	Trust for Life	-	183,193,329	-	
1997 GST Exempt Trust	Trust for Life		751,601	751,750	
Black 2011 Family Trust	Trust for Life			69,904,750	
Mallory Trust	Trust for Life	-		1,031,000	
Tangibles Outright from Debra's Estate	Outright	-	16,943,000	-	
Victoria R. Black					\$ 808,302,200
APO1 Agreement	Trust for Life			350,082,520 *	
APO 2 Declaration	Trust for Life			155,644,250	
1992 Insurance Trust	Trust until age 45	-	-	5,000,000	
1999 Insurance Trust #2	Trust for Life	-	-	25,000,000	
Heritage and Legacy Trust	Trust for Life	-	183,193,329	-	
1997 GST Exempt Trust	Trust for Life		751,601	751,750	
Black 2011 Family Trust	Trust for Life			69,904,750	
Mallory Trust	Trust for Life	-		1,031,000	
Tangibles Outright from Debra's Estate	Outright	-	16,943,000	-	
Charity					\$ 82,840,600
Art Pledged to Museums		\$ 10,731,000	\$ 24,533,600		
Dartmouth Pledge		\$ 19,129,000			
Leon Black Family Foundation			\$ 28,447,000		
Estimated Taxes and Expenses					\$ 3,628,171,734
Federal Estate Tax		\$ 6,812,000	\$ 541,210,390		
New York Estate Tax		2,609,048	257,126,376		\$ 6,944,221,133
Administration Expenses		5,000,000	3,433,000		
Capital Gains Tax		576,210,920			
Liabilities		541,032,000	1,694,738,000		

* APO1 Trust reduced by 34% capital gains tax paid on Leon's death with respect to the \$1,638,667,370 Note from Leon assumed to have a zero basis.

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Black Family Partners - Financial Inventory Detail as of April 16, 2014

Assets	
Cash	
U.S. Trust Cash Account	\$ 8,789,000
JP Morgan Cash Account	1,525,000
Marketable Securities	
Lone Cascade LP	35,075,000
Millennium Group USA LP	23,567,000
Canyon Value Realization Fund LP	18,604,000
Anchorage Capital Partners LP	17,394,000
FCI Co-Invest II (A) LP	12,041,000
AINV shs dist fr AIC	5,016,181
King Street Capital LP	49,000
Environmental Solutions Worldwide	4,000
Illiquid Assets	
Investment Partnerships:	
Knowledge Universe LP	33,771,000
Sustainable Woodlands LP	19,090,000
HAO Capital Fund LP	3,141,000
Wolfensohn Capital Partners LP	2,067,000
iCrete LLC	1,501,000
Tenfore Holdings Fund I LP	494,000
Rally Labs	188,000
44% Interest BRH Hldgs	2,588,479,000
Apollo Co-Invest VI (A) LLC	38,075,000
Apollo Value Co-Invest LLC	8,052,000
Apollo Co-Invest V LLC	3,551,000
SOMA Co-Invest LLC	3,063,000
Apollo Co-Invest III LLC	2,151,000
AP Alternative Assets LP	933,000
Apollo Co-Invest IV LLC	539,000
T-Ink, Inc.	100,000
Convertible Promissory Note- ESWW	2,941,000
Credit Line - Phaidon Global	8,600,000
TRA Dividend - July 2007 Transaction	83,946,000
Note due from LDB	42,000,000
Note due from Narrows Hldgs	25,000,000
Note due from PLB LLC	3,200,000
Total Assets (Undiscounted)	\$ 2,992,946,181
Discount - 30%	(897,883,854)
Total Assets (Discounted)	\$ 2,095,062,327

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Includible Portion of APO GRATs as of April 16, 2014:

Includible Value of APO GRATs	
APO1 GRAT	\$ 789,069,292
APO1 GRAT No. 2	691,093,551
APO1 GRAT No. 3	120,168,025
Total	\$ 1,600,330,868
Rounded Value:	\$ 1,600,331,000

Leon D. and Debra R. Black

Overview of Estate Plan

Personal Real Estate--Financial Inventory As of April 16, 2014

	Leon	Debra	Total
Jointly Owned Residences			
760 Park Avenue, NY, NY	\$10,000,000	\$10,000,000	\$20,000,000
750 Park Avenue, NY, NY	500,000	500,000	1,000,000
5226 E. Desert Vista Rd, AZ	1,000,000	1,000,000	2,000,000
766 Meadow Lane and 3rd Parcel, Southampton, NY	16,700,000	16,700,000	33,400,000
190 and 200 Narrows Road, Bedford, NY	10,000,000	10,000,000	20,000,000
Total Jointly Owned	38,200,000	38,200,000	76,400,000
Individually Owned Residences			
3rd Parcel Narrows Road, Bedford, NY*	-	10,000,000	10,000,000
750 Meadow Lane, Southampton, NY**	16,600,000	-	16,600,000
Total Individually Owned	16,600,000	10,000,000	26,600,000
Total Personal Real Estate	\$54,800,000	\$48,200,000	\$103,000,000
Total Liabilities	\$ -	-	-
Net Value	\$ 54,800,000	\$ 48,200,000	\$ 103,000,000

*Allocates \$30 million value equally among the three Narrows Road parcels.

**Allocates \$50 million value equally among the three Meadow Lane parcels

Leon D. and Debra R. Black

Overview of Estate Plan

APO1 Agreement - Financial Inventory As of April 16, 2014

Assets

Cash and Marketable Securities	12,298,000
Apollo Credit Opportunities	40,838,000
Note Receivable From Leon D. Black	1,694,738,000
Note Receivable From APO2 Declaration	86,436,000
Art	142,231,000
Total Assets	\$ 1,976,541,000

Includes assets held through LBF Holdings LLC

Leon D. and Debra R. Black

Overview of Estate Plan

APO2 Declaration - Financial Inventory As of April 16, 2014

Assets

Cash & Marketable Securities	16,851,000
Black Family Partners LP (12.55%)* - DISCOUNT 30%	262,926,000
Investment Partnerships - Various	5,088,000
Apollo Related Investments	889,000
Other Assets	298,000

Illiquid Assets

Art	348,899,000
Phaidon Investment - AT COST	54,000,000
SH Meadow Lane LLC	8,312,000
101 Warren Street LLC	3,500,000
OFH LLC - NET VALUE	8,250,000

Total Assets	\$ 709,013,000
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Liabilities

Note Payable to APO1 Agreement	(86,436,000)
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Net Assets

\$ 622,577,000

*Rounded

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

LDB 2011 LLC - Financial Inventory Detail

Assets	
Cash and Marketable Securities	\$ 24,779,000
Illiquid Assets	
Black Family Partners LP (7.2%)* - DISCOUNT 30%	150,185,000
Apollo Related Investments	19,827,000
Investment Partnerships	2,394,000
Art	72,750,000
Phaidon Global - AT COST	10,000,000
Total Assets	\$ 279,935,000
Liabilities	
Liabilities	(316,164)
Total Liabilities	\$ (316,164)
Net Value of Trust	\$ 279,618,836
Rounded Value:	\$ 279,619,000

*Rounded