

Estate Planning Overview

Presented to:

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014 - Selected Portions Comparison
Apollo Global Management at \$25/Share, \$27.92/Share and \$30/Share

June 19, 2014

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Estimated Estate Tax Calculations at Leon's Death

AGM at \$25/Share	
Gross Estate	\$ 3,683,327,000
Less Deductions:	
Liabilities	(2,235,770,000)
Administration Expenses	(5,000,000)
Charitable Deduction	(29,860,000)
Marital Deduction	(1,391,538,111)
Estimated NY Estate Tax	(2,852,222)
Plus Adjusted Taxable Gifts	5,340,000
Taxable Estate	\$ 23,646,667
Tentative Federal Estate Tax	9,404,467
Less Credits/Payments:	
Unified Credit	(2,081,800)
Gift Taxes Paid	-
Estimated Fed Estate Tax	\$ 7,322,667
Estimated NY Estate Tax	\$ 2,852,222
Total Estate Tax	
Due Upon Leon's Death	\$ 10,174,889

AGM at \$27.92/Share	
Gross Estate	\$ 3,832,894,000
Less Deductions:	
Liabilities	(2,235,770,000)
Administration Expenses	(5,000,000)
Charitable Deduction	(29,860,000)
Marital Deduction	(1,541,105,111)
Estimated NY Estate Tax	(2,852,222)
Plus Adjusted Taxable Gifts	5,340,000
Taxable Estate	\$ 23,646,667
Tentative Federal Estate Tax	9,404,467
Less Credits/Payments:	
Unified Credit	(2,081,800)
Gift Taxes Paid	-
Estimated Fed Estate Tax	\$ 7,322,667
Estimated NY Estate Tax	\$ 2,852,222
Total Estate Tax	
Due Upon Leon's Death	\$ 10,174,889

AGM at \$30/Share	
Gross Estate	\$ 3,943,877,000
Less Deductions:	
Liabilities	(2,235,770,000)
Administration Expenses	(5,000,000)
Charitable Deduction	(29,860,000)
Marital Deduction	(1,652,088,111)
Estimated NY Estate Tax	(2,852,222)
Plus Adjusted Taxable Gifts	5,340,000
Taxable Estate	\$ 23,646,667
Tentative Federal Estate Tax	9,404,467
Less Credits/Payments:	
Unified Credit	(2,081,800)
Gift Taxes Paid	-
Estimated Fed Estate Tax	\$ 7,322,667
Estimated NY Estate Tax	\$ 2,852,222
Total Estate Tax	
Due Upon Leon's Death	\$ 10,174,889

Leon D. and Debra R. Black

Overview of Estate Plan as of April 16, 2014

Estimated Estate Tax Calculations at Debra's Death

AGM at \$25/Share	
Gross Estate	\$ 3,204,959,111
Less Deductions:	
Liabilities	(1,694,738,000)
Administration Expenses	(3,378,000)
Charitable Deduction	(52,980,600)
Marital Deduction	-
Estimated New York Estate Tax	(232,084,802)
Plus: Adjusted Taxable Gifts	5,120,000
Taxable Estate	\$ 1,226,897,709
Tentative Federal Estate Tax	490,704,884
Less Credits/Payments:	
Unified Credit	(2,081,800)
Gift Taxes Paid	-
Estimated Federal Estate Tax	\$ 488,623,084
Estimated New York Estate Tax	\$ 232,084,802
Total Estate Tax Due Upon Debra's Death	\$ 720,707,886

AGM at \$27.92/Share	
Gross Estate	\$ 3,354,526,111
Less Deductions:	
Liabilities	(1,694,738,000)
Administration Expenses	(3,378,000)
Charitable Deduction	(52,980,600)
Marital Deduction	-
Estimated New York Estate Tax	(256,015,522)
Plus: Adjusted Taxable Gifts	5,120,000
Taxable Estate	\$ 1,352,533,989
Tentative Federal Estate Tax	540,959,396
Less Credits/Payments:	
Unified Credit	(2,081,800)
Gift Taxes Paid	-
Estimated Federal Estate Tax	\$ 538,877,596
Estimated New York Estate Tax	\$ 256,015,522
Total Estate Tax Due Upon Debra's Death	\$ 794,893,118

AGM at \$30/Share	
Gross Estate	\$ 3,465,509,111
Less Deductions:	
Liabilities	(1,694,738,000)
Administration Expenses	(3,378,000)
Charitable Deduction	(52,980,600)
Marital Deduction	-
Estimated New York Estate Tax	(273,772,802)
Plus: Adjusted Taxable Gifts	5,120,000
Taxable Estate	\$ 1,445,759,709
Tentative Federal Estate Tax	578,249,684
Less Credits/Payments:	
Unified Credit	(2,081,800)
Gift Taxes Paid	-
Estimated Federal Estate Tax	\$ 576,167,884
Estimated New York Estate Tax	\$ 273,772,802
Total Estate Tax Due Upon Debra's Death	\$ 849,940,686

Leon and Debra's:	
Combined Federal Estate Tax	\$ 495,945,750
Combined New York Estate Tax	234,937,024
Total Combined Federal & NY Estate Tax	\$ 730,882,774

Leon and Debra's:	
Combined Federal Estate Tax	\$ 546,200,262
Combined New York Estate Tax	258,867,744
Total Combined Federal & NY Estate Tax	\$ 805,068,006

Leon and Debra's:	
Combined Federal Estate Tax	\$ 583,490,550
Combined New York Estate Tax	276,625,024
Total Combined Federal & NY Estate Tax	\$ 860,115,574

Overview of Estate Plan as of April 16, 2014
Inventory of Debra's Taxable Estate Following Leon's Death

AGM at 25\$/Share	
Marital Trust Assets:	
Art	\$ 1,421,564,000
750 Meadow Lane	16,600,000
Includible Portion of GRATs	1,465,672,000
Black Family Partners LP (8.0%)*	101,936,111
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
Note payable - to APO1 Trust	(1,694,738,000)
Total Marital Trust Assets:	\$ 1,341,321,111
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%)	-
Total of Debra's Probate Assets:	\$ 168,900,000

AGM at \$27.92/Share	
Marital Trust Assets:	
Art	\$1,421,564,000
750 Meadow Lane	16,600,000
Includible Portion of GRATs	1,600,331,000
Black Family Partners LP (8.0%)*	116,844,111
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
Note payable - to APO1 Trust	(1,694,738,000)
Total Marital Trust Assets:	\$1,490,888,111
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%)	-
Total of Debra's Probate Assets:	\$ 168,900,000

AGM at \$30/Share	
Marital Trust Assets:	
Art	\$ 1,421,564,000
750 Meadow Lane	16,600,000
Includible Portion of GRATs	1,700,253,000
Black Family Partners LP (8.0%)*	127,905,111
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
Note payable - to APO1 Trust	(1,694,738,000)
Total Marital Trust Assets:	\$ 1,601,871,111
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%)	-
Total of Debra's Probate Assets:	\$ 168,900,000

* Discounted 30%

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

AGM at \$25/Share			
Family			
Upon Debra's Death			
	In Trust	Outright (Tangibles)	Total
Benjamin E. Black	762,931,053	16,664,000	\$ 779,595,053
Joshua M. Black	762,931,053	16,664,000	\$ 779,595,053
Alexander S. Black	762,931,053	16,664,000	\$ 779,595,053
Victoria R. Black	762,931,053	16,664,000	\$ 779,595,053
Total to Family			3,118,380,212

Charity			
	Upon Leon's Death	Upon Debra's Death	
Art Pledged to Museums	10,731,000	24,533,600	
Dartmouth Pledge	19,129,000		
Leon Black Family Foundation		28,447,000	
	29,860,000	52,980,600	
Total to Charity			\$ 82,840,600

Estimated Taxes and Expenses			
	Upon Leon's Death	Upon Debra's Death	
Federal Estate Tax	7,322,667	488,623,084	
New York Estate Tax	2,852,222	232,084,802	
Administration Expenses	5,000,000	3,378,000	
Fed & NY Cap Gains Tax & Nil Tax*	576,210,920		
Liabilities	541,032,000	1,694,738,000	
	1,132,417,809	2,418,823,886	
Total Taxes and Expenses			\$3,551,241,695

AGM at \$27.92/Share			
Family			
Upon Debra's Death			
	In Trust	Outright (Tangibles)	Total
Benjamin E. Black	791,026,418	16,597,000	\$ 807,623,418
Joshua M. Black	791,026,418	16,597,000	\$ 807,623,418
Alexander S. Black	791,026,418	16,597,000	\$ 807,623,418
Victoria R. Black	791,026,418	16,597,000	\$ 807,623,418
Total to Family			3,230,493,672

Charity			
	Upon Leon's Death	Upon Debra's Death	
Art Pledged to Museums	10,731,000	24,533,600	
Dartmouth Pledge	19,129,000		
Leon Black Family Foundation		28,447,000	
	29,860,000	52,980,600	
Total to Charity			\$ 82,840,600

Estimated Taxes and Expenses			
	Upon Leon's Death	Upon Debra's Death	
Federal Estate Tax	7,322,667	538,877,596	
New York Estate Tax	2,852,222	256,015,522	
Administration Expenses	5,000,000	3,378,000	
Fed & NY Cap Gains Tax & Nil Tax*	576,210,920		
Liabilities	541,032,000	1,694,738,000	
	1,132,417,809	2,493,009,118	
Total Taxes and Expenses			\$ 3,625,426,927

AGM at \$30/Share			
Family			
Upon Debra's Death			
	In Trust	Outright (Tangibles)	Total
Benjamin E. Black	811,866,890	16,556,000	\$ 828,422,890
Joshua M. Black	811,866,890	16,556,000	\$ 828,422,890
Alexander S. Black	811,866,890	16,556,000	\$ 828,422,890
Victoria R. Black	811,866,890	16,556,000	\$ 828,422,890
Total to Family			3,313,691,560

Charity			
	Upon Leon's Death	Upon Debra's Death	
Art Pledged to Museums	10,731,000	24,533,600	
Dartmouth Pledge	19,129,000		
Leon Black Family Foundation		28,447,000	
	29,860,000	52,980,600	
Total to Charity			\$ 82,840,600

Estimated Taxes and Expenses			
	Upon Leon's Death	Upon Debra's Death	
Federal Estate Tax	7,322,667	576,167,884	
New York Estate Tax	2,852,222	273,772,802	
Administration Expenses	5,000,000	3,378,000	
Fed & NY Cap Gains Tax & Nil Tax*	576,210,920		
Liabilities	541,032,000	1,694,738,000	
	1,148,694,587	2,548,056,686	
Total Taxes and Expenses			\$3,680,474,495

* APO1 Trust reduced on Leon's death by 34% capital gains tax (and tax on Nil) with respect to the \$1,694,738,000 Note from Leon assumed to have a zero basis.