



Tax Receivable Agreement (TRA) Payment Workbook

Tax Year 2009

Parnter Version
4/19/2010

EFTA00621096



Page

3
4
5
6

TRA Related Payment

Net Tax Benefit Allocated
Tax Benefit Schedule - Calculations for the 2009 tax Year of APO Corp
Interest Amount Calculation
Tax Benefit Schedule - Realized Tax Benefit Calculation

**TRA Payment
Tax Year 2009**

TRA payment
\$ 15,027,917

TRA Holder	TRA Ownership %	2009 Payment Amount
Leon Black	41.0768%	6,172,991

**APO Corp Related Taxable Income
Tax Benefits Schedule
Tax Year 2009**

TRA Agmt Appendix C Tax Receivable Agreement (TRA) Reference (Article III)		Description	Amount	Notes
3.01(b)(1),(3)		APO Corp. 2009 Tax Year Realized Tax Benefit (Detriment)	\$ 17,654,514	
3.01(b)(2),(4)		Excess Realized Tax Benefit (Detriment)	-	
3.01(b)		Adjusted Realized Tax Benefit	17,654,514	
3.01(b)		85% Per TRA	85%	
3.01(b)		Tax Benefit Payment (includes Imputed Interest under IRC Section 483)	\$ 15,006,337	
		IRC Section 483 Imputed Interest (installment sale rules)	\$ 1,871,766	(1)
		2008 Section 483 Interest Rate (5.15%)		
		Present Value of Tax Benefit Payment from April 21, 2010 to July 14, 2007 = Total Sales Proceeds	\$ 13,134,571	(2)
3.01(b)		Interest Amount Per TRA (Through April 21, 2010)	21,580	(3)
3.01(b)		Total Net Tax Benefit - i.e., Tax Benefit Payment related to 2009 Tax Return	\$ 15,027,917	

Notes:

- (1) To calculate the amount of imputed installment sale interest that is taxable on the tax return the Applicable Federal Rate (AFR) that applies to the term of the installment sale on the date of the sale (July 13, 2007) was used. The AFR was 5.15%.
- (2) The present value of the Tax Benefit Payment is calculated using the following formula:
- $$\frac{\text{Amount of Future Payment}}{1 + (\# \text{ of days July 15, 2007 to April 21, 2010}) / 365 \times \text{Annual Interest Rate}}$$
- | | |
|--|---------------|
| Amount of Future Payment | \$ 15,006,337 |
| Annual Interest Rate (Long term AFR for July 2008) | 5.15% |
| 2 Year (July 14, 2007 through July 14, 2009) | 2 Year |
| # of Days (July 15, 2009 through April 21, 2010) | 280 Days |
- (3) Interest is calculated from the due date of the 2009 Tax Return (without extensions). Please see the attached calculation.

**APO Corp Related Taxable Income
Tax Benefit Schedule - Realized Tax Benefit Calculation (Pg 1)
Tax Year 2009**

**Realized Tax Benefit Calculation - Article III
Tax Benefit Schedule - Article II Section 2.03**

Item	2009 Non-Stepped-Up Tax Liability	2009 Actual Liability	Difference
Partnership Distributive Share Income/(Loss)	\$45,753,380	\$45,753,380	-
Standalone APO Corp Income	(\$971,035)	(\$971,035)	-
743 Amortization	-	(65,198,441)	65,198,441
Sec 483 Imputed Interest Related to 754 election	-	(1,266,097)	1,266,097
Interest Expense on Late Payment	-	(86,561)	86,561
State & Local Taxes	(3,068,990)	(14,150)	(3,054,840)
Taxable Income	<u>\$41,713,355</u>	<u>(\$21,782,904)</u>	63,496,259

Federal Income Tax	14,599,674	
Federal Tax Liability	14,599,674	-
2009 State Income Tax (NY, NYC, CA)	<u>3,068,990</u>	<u>14,150</u>
Total 2009 Tax Liability	<u>\$ 17,668,664</u>	<u>\$ 14,150</u>

Realized Tax Benefit Calculation

Item	Amount
Non-Stepped Up Tax Liability	\$ 17,668,664
Actual Liability	<u>14,150</u>
Realized Tax Benefit (Detriment)	<u>\$ 17,654,514</u>

**APO Corp Related Taxable Income
TRA Late Payment Interest Amount Calculation
Tax Year 2009**

Tax Benefit Payment	\$	15,006,337
Interest Amount 1	\$	21,580
Total Payment	\$	15,027,917

Month	Date for LIBOR	LIBOR (assumed to be 6 month rate)	Plus 100 Basis Points	Rate for the Interest Amount	Monthly Interest	Cumulative Tax Benefit Payment Amount
February, 2010	February 26, 2010	0.387%	1.00%	1.39%	9,123	15,015,460
March, 2010	March 30, 2010	0.442%	1.00%	1.44%	12,456	15,027,917

1 Reflects TRA payment occurring on April 21, 2010.