

From: Richard Joslin <[REDACTED]>
To: jeffrey E. <jeevacation@gmail.com>
Subject: FW: Knowledge Universe Education L.P. - 2013 Audited Financial Statements and 2013 Schedule K-1
Date: Thu, 03 Jul 2014 13:36:32 +0000

I will call you later on this.

From: Richard Joslin
Sent: Wednesday, July 02, 2014 5:18 PM
To: Richard D'Agostino; Julie Li
Subject: RE: Knowledge Universe Education L.P. - 2013 Audited Financial Statements and 2013 Schedule K-1

Npt sure we can shift to LBF – let's assign a person to be responsible for this clean up. Please arrange a time tmo morning to sit down Thanks

From: Richard D'Agostino
Sent: Wednesday, July 02, 2014 5:11 PM
To: Richard Joslin; Julie Li
Subject: RE: Knowledge Universe Education L.P. - 2013 Audited Financial Statements and 2013 Schedule K-1

Q1: I believe we did receive certificates but Eileen is to check if she has them in her possession. They are not w/ a broker. Based on e-mail correspondence she provided me today, the shares were to be issued w/ the cash distribution in 2013. I can confirm receipt of cash. If she cannot locate, we can request replacement certificate. She had tried to get the shares issued in name of BFP but was rejected.

Q2: Until receipt of this K-1, no one, including Eileen, had knowledge of an interest in KU Management. I checked the sub doc from 2007 and it states that the subscription was for "units" comprised of an interest in KUE LP and KU Management Inc.

The listed shares are not recorded on our books. In speaking w/ Eileen, thought is to add shares to LBF Holdings rather than BFP so as not to effect Empire valuations. We can try to retitle these along with various other investments in similar situation.

Let us know if you agree w/ the above and at which date you would like the shares added. Current LRN:US market value is approx. \$2.5mm. FMV at date of distribution was \$3.85mm.

From: Richard Joslin
Sent: Wednesday, July 02, 2014 2:09 PM
To: Julie Li; Richard D'Agostino
Subject: FW: Knowledge Universe Education L.P. - 2013 Audited Financial Statements and 2013 Schedule K-1

Q1: did we receive these shares(see below) ? Or restated were they in street name and this moved to a broker account? Or were they in certificate form?

Q2: Do we have KU Management on our balance sheet?

IN 2013 YOU RECEIVED SHARES OF K12 INC. (TICKER LRN), FROM YOUR INVESTMENT IN KNOWLEDGE UNIVERSE EDUCATION LP(KUELP) AND KU MANAGEMENT INC

From: Eileen Alexanderson

Sent: Wednesday, July 02, 2014 2:02 PM

To: Richard Joslin; Richard D'Agostino; accounting

Subject: FW: Knowledge Universe Education L.P. - 2013 Audited Financial Statements and 2013 Schedule K-1

From: Joyce Seko ([REDACTED]) [[mailto:\[REDACTED\]](mailto:[REDACTED])]

Sent: Wednesday, July 02, 2014 1:28 PM

To: Leon Black ([REDACTED]); John Suydam ([REDACTED]); Eileen Alexanderson

Cc: Andy Benson ([REDACTED]); Michael Teen ([REDACTED]); Stan Maron

([REDACTED])

Subject: Knowledge Universe Education [REDACTED] - 2013 Audited Financial Statements and 2013 Schedule K-1

Attached at Stan Maron's request.