

From: Eileen Alexanderson <[REDACTED]>

To: "'jeevacation@gmail.com'" <jeevacation@gmail.com>

Subject: Fw: Debra's Trust to use up the Exemption Amount

Date: Fri, 30 Nov 2012 13:24:38 +0000

Attachments: Microsoft_Word_-_39479962_2_DOC.PDF;
Memorandum_Regarding_Debra_Black_2012_Family_Trust_(New).DOC

Good morning-please review. Should I fund with cash?

From: Kirschner, Elyse [mailto:[REDACTED]]

Sent: Friday, November 30, 2012 07:53 AM

To: Eileen Alexanderson

Subject: RE: Debra's Trust to use up the Exemption Amount

Eileen,

Assuming that you and Ada are OK with the changes I sent you to the draft of Debra's trust on Wednesday, attached is an execution copy of the trust agreement and a revised draft of the explanatory memo.

Elyse

Elyse G. Kirschner | Partner

McDermott Will & Emery LLP | 340 Madison Avenue, New York, NY 10173

[REDACTED] | www.mwe.com

From: Eileen Alexanderson [mailto:[REDACTED]]

Sent: Thursday, November 29, 2012 7:34 PM

To: Kirschner, Elyse

Subject: RE: Debra's Trust to use up the Exemption Amount

Ok, please proceed with other changes, will accept your recommendation on these two. I am checking as to what we will fund with. Please also update the cover memo you sent with the original draft so I can deliver that with trust doc. Thanks.

From: Kirschner, Elyse [mailto:[REDACTED]]

Sent: Thursday, November 29, 2012 10:56 AM

To: Clapp, Ada

Cc: Eileen Alexanderson

Subject: RE: Debra's Trust to use up the Exemption Amount

I'd like to leave the Change of Law provision as it is. It's in our form, and it's in all of the trusts we prepare.

As for the second question, the agreement no longer contains this power because we don't need it. Debra will allocate her entire remaining GST exemption to the trust. We only leave that provision in if the trust is not exempt from the GST tax.

Elyse G. Kirschner | Partner

McDermott Will & Emery LLP | 340 Madison Avenue, New York, NY 10173

[REDACTED] | www.mwe.com

From: Clapp, Ada [[mailto:\[REDACTED\]](mailto:[REDACTED])]
Sent: Thursday, November 29, 2012 10:43 AM
To: Kirschner, Elyse
Cc: Eileen Alexanderson
Subject: RE: Debra's Trust to use up the Exemption Amount

Thanks Elyse,

Please see attached. I tried to make the change of law provision clearer but I am not sure why we are limiting our decanting options. Couldn't the issue be addressed in the original Trust Agreement, rather than relying upon state laws (there may be so few options for decanting if we do)? So for example, why couldn't the trust agreement provide that the Trustees can't appoint trust assets to another trust pursuant to the terms of the trust agreement or state law ("Decanting laws") unless either (i) the recipient trust agreement limits its duration to the RAP period applicable to the original trust or (ii) the Decanting laws so limit the duration of the recipient trust? Then, it should not matter if they change situs to a jurisdiction with decanting laws that don't limit the term of the recipient trust.

I was also wondering why Debra's trust no longer includes a power in the Trustees to grant a primary beneficiary a general power of appointment (did I miss it?). Is that because you removed the withdrawal powers so we assume all property will be GST exempt and there will not be a need to grant the GPA?

Thanks,

Ada Clapp
Managing Director, Wealth Strategist
U.S. Trust Bank of America Private Wealth Management
114 West 47th Street
New York, New York 10036

[REDACTED]
Email: [REDACTED]

IRS Circular 230 Disclosure: Pursuant to IRS regulations, we 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. We advise you to consult with an independent tax advisor on your particular tax circumstances.

From: Kirschner, Elyse [[mailto:\[REDACTED\]](mailto:[REDACTED])]
Sent: Wednesday, November 28, 2012 3:53 PM
To: Clapp, Ada
Cc: Eileen Alexanderson
Subject: RE: Debra's Trust to use up the Exemption Amount

Ada,

Comment 29.2--yes, that is correct.

Attached is a revised version of the agreement, with a redline.

Eileen,

What will Debra be using to fund this trust?

Thanks.

Elyse

Elyse G. Kirschner | Partner
McDermott Will & Emery LLP | 340 Madison Avenue, New York, NY 10173
[REDACTED] | [REDACTED]

From: Clapp, Ada [[mailto:\[REDACTED\]](mailto:[REDACTED])]
Sent: Wednesday, November 28, 2012 12:59 PM
To: Kirschner, Elyse
Cc: Eileen Alexanderson
Subject: RE: Debra's Trust to use up the Exemption Amount

Thanks Elyse—please scroll down:

From: Kirschner, Elyse [[mailto:\[REDACTED\]](mailto:[REDACTED])]
Sent: Wednesday, November 28, 2012 12:33 PM
To: Eileen Alexanderson
Cc: Clapp, Ada
Subject: RE: Debra's Trust to use up the Exemption Amount

Here are my comments to Ada's comments on the trust agreement.

Comment 1.1: Yes, Leon is precluded from acting as an Independent Trustee. As a practical matter, we don't need an independent trustee until distributions are going to be made. But we can certainly add Richard Ressler as the independent trustee.

Comment 2.1: This is a typo. It should be Leon's death.

Comment 3.1: I can add this.

Comment 4.1: OK. I can limit it to a testamentary POA. **Unless you think this is giving up too much flexibility because the children might want to appoint property to their own children at some point. I would think that could be taken care of by a trust distribution just as easily and by limiting to a testamentary power you eliminate the risk of the children terminating their trusts by appointing to each other.**

Comment 9.1: Whatever Debra wants to do is fine with me. Just let me know if this should be changed.

Comment 12.1: This is to prevent any estate tax inclusion in connection with the POA the Independent Trustees could grant Debra if there is a clawback. See 20.2036-1(a)(3).

Comment 15.1: I removed the withdrawal powers to simplify the trust. Also, if Debra uses all of her GST exemption in connection with her transfer to the trust in 2012, she won't really be able to make annual exclusion gifts to the trust because she won't have any additional GST exemption left.[] **If there are provisions to hold non-GST exempt property in separate trusts (which I believe there are-no?), why not give Debra the option of being able to make annual exclusion gifts to this trust? In the interest of saving time, I don't know if it is worth putting them back in now (I don't know if Debra makes annual exclusion gifts now and if so, how she has been doing that—perhaps directly to the children). I suppose we could include them in a future trust that Debra does.**

Comment 18.1: Why should the collateral not be available to Leon?[] **I think it is a question for Debra. Certainly more flexible over all to allow it to be available to him—if that is what Debra wants.**

Comment 29.1: Correct.

Comment 29.2: I took out the "not" before permit. Does this help?

For purposes of this provision, the laws of a jurisdiction that permit trustees to appoint property in further trust ("Decanting Laws") shall not be taken into account, except to the extent that the Decanting Laws of such jurisdiction would permit the terms of any Trust or trust to which property of a Trust is appointed to violate the rule against perpetuities applicable to such Trust or trust at the time of such Jurisdictional Change.

[]

[] I am afraid I am still unsure what this Section is trying to say. Is it saying that a Trustee can't move a trust to a state that has Decanting Laws that would permit the recipient trust (into which the original trust could pour if decanted) to have a term that would violate the RAP period applicable to the original trust? So, that means a trust could only be moved to a state that has Decanting laws that would restrict the term of the recipient trust to no longer than the original RAP period. Is that correct?

Comment 35.1: OK.

I will send you a revised version shortly.[] Thanks!

Elyse

Elyse G. Kirschner | Partner
McDermott Will & Emery LLP | 340 Madison Avenue, New York, NY 10173
[REDACTED] | www.mwe.com

From: Eileen Alexanderson [[mailto:\[REDACTED\]](mailto:[REDACTED])]
Sent: Tuesday, November 27, 2012 6:17 PM
To: Kirschner, Elyse
Cc: [REDACTED]
Subject: Fw: Debra's Trust to use up the Exemption Amount

As we discussed, please review Ada's comments. Also, please put Richard Ressler in as the independent trustee.
Thanks, Eileen

From: Clapp, Ada [[mailto:\[REDACTED\]](mailto:[REDACTED])]
Sent: Tuesday, November 27, 2012 06:10 PM
To: Eileen Alexanderson
Cc: Maus, John <[REDACTED]>; Mastracchio, Joann <[REDACTED]>
Subject: RE: Debra's Trust to use up the Exemption Amount

Hi Eileen,

Nice speaking with you earlier. Attached are some comments to the revised Family Trust for Debra. Please let me know if you would like to discuss them and if you would like me to send them directly to Elyse.

Best regards,

Ada Clapp
Managing Director, Wealth Strategist
U.S. Trust Bank of America Private Wealth Management
114 West 47th Street
New York, New York 10036

[REDACTED]
Email: [REDACTED]

IRS Circular 230 Disclosure: Pursuant to IRS regulations, we 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. We advise you to consult with an independent tax advisor on your particular tax circumstances.

From: Eileen Alexanderson [mailto: [REDACTED]]
Sent: Monday, November 19, 2012 2:07 PM
To: Clapp, Ada
Subject: FW: Debra's Trust to use up the Exemption Amount

fyi

From: Kirschner, Elyse [mailto: [REDACTED]]
Sent: Monday, November 19, 2012 1:55 PM
To: Eileen Alexanderson
Subject: RE: Debra's Trust to use up the Exemption Amount

I took a look at Ada's comments in the documents. Here are my responses:

p. 4--the marital trust in article III isn't in the agreement anymore, so this comment is not relevant anymore.

p. 5--technically that is true. If this is a problem, we can change it so that the power of appointment can be exercised only at the death of the Primary Beneficiary.

p. 15--I took out the withdrawal powers in the new draft, so this comment isn't relevant anymore.

p. 17--same as p. 15.

p. 33--if the power is granted, then it would cause inclusion in the settlor's estate. This is why we carved out article IX(F).

p. 34 (top)--the cross reference was changed in the new version.

p. 34 (bottom)--our form language for this provision has changed, so the comment may not be relevant anymore.

p. 41--we can add this if you want us to.

Elyse G. Kirschner | Partner
McDermott Will & Emery LLP | 340 Madison Avenue, New York, NY 10173
[REDACTED] | www.mwe.com

From: Eileen Alexanderson [mailto: [REDACTED]]
Sent: Monday, November 19, 2012 12:24 PM
To: Kirschner, Elyse
Subject: FW: Debra's Trust to use up the Exemption Amount

Hi Elyse, thanks for the trust docs. I would say we need another name as Jeffrey is adamant that names and dates should not be on the trusts. Also please see attached. I know trust was revised from first version but there are a few comments from Ada that were not addressed. Please just review and consider if appropriate. Thanks.

From: Clapp, Ada [mailto: [REDACTED]]
Sent: Sunday, November 18, 2012 12:01 PM

To: Eileen Alexanderson
Subject: Debra's Trust to use up the Exemption Amount

Hi Eileen,

Now I know why I could not remember reviewing the draft of Debra's trust—I sent Elyse my comments to the Debra R. Black 2011 Family Trust on December 13, 2011. Almost a year ago! I never did see the final version—but as you can see, my comments were minor.

Ada Clapp

Managing Director, Wealth Strategist
U.S. Trust Bank of America Private Wealth Management
114 West 47th Street
New York, New York 10036

Email: [REDACTED]

IRS Circular 230 Disclosure: Pursuant to IRS regulations, we 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. We advise you to consult with an independent tax advisor on your particular tax circumstances.

This message, and any attachments, is for the intended recipient(s) only, may contain information that is privileged, confidential and/or proprietary and subject to important terms and conditions available at <http://www.bankofamerica.com/emaildisclaimer>. If you are not the intended recipient, please delete this message.

This email and any files transmitted with it are confidential and intended solely for the person or entity to whom they are addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you have received this email in error please contact the sender and delete the material from any computer.

Apollo Global Management, LLC

IRS Circular 230 Disclosure: To comply with requirements imposed by the IRS, we inform you that any U.S. federal tax advice contained herein (including any attachments), unless specifically stated otherwise, is not intended or written to be used, and cannot be used, for the purposes of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter herein.

This message is a PRIVILEGED AND CONFIDENTIAL communication. This message and all attachments are a private communication sent by a law firm and may be confidential or protected by privilege. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or use of the information contained in or attached to this message is strictly prohibited. Please notify the sender of the delivery error by replying to this message, and then delete it from your system. Thank you.

Please visit <http://www.mwe.com/> for more information about our Firm.

EFTA00718582

This email and any files transmitted with it are confidential and intended solely for the person or entity to whom they are addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you have received this email in error please contact the sender and delete the material from any computer.

Apollo Global Management, LLC

This message, and any attachments, is for the intended recipient(s) only, may contain information that is privileged, confidential and/or proprietary and subject to important terms and conditions available at <http://www.bankofamerica.com/emaildisclaimer>. If you are not the intended recipient, please delete this message.

This email and any files transmitted with it are confidential and intended solely for the person or entity to whom they are addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you have received this email in error please contact the sender and delete the material from any computer.

Apollo Global Management, LLC

This message, and any attachments, is for the intended recipient(s) only, may contain information that is privileged, confidential and/or proprietary and subject to important terms and conditions available at <http://www.bankofamerica.com/emaildisclaimer>. If you are not the intended recipient, please delete this message.

This message, and any attachments, is for the intended recipient(s) only, may contain information that is privileged, confidential and/or proprietary and subject to important terms and conditions available at <http://www.bankofamerica.com/emaildisclaimer>. If you are not the intended recipient, please delete this message.

This email and any files transmitted with it are confidential and intended solely for the person or entity to whom they are addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you have received this email in error please contact the sender and delete the material from any computer.

Apollo Global Management, LLC

This email and any files transmitted with it are confidential and intended solely for the person or entity to whom they are

addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you have received this email in error please contact the sender and delete the material from any computer.

Apollo Global Management, LLC