

SALE OF PHAIDON LLC

TERM SHEET

Draft: 12/18/17

I. Pre-sale Actions: Prior to the closing of the sale (as described below), the following transactions will be implemented:

| Transaction | Details |
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| Conversion and Cancellation of PPL Debt by Global | Phaidon Global LLC (" Global ") contributes to Phaidon Press Limited (" PPL ") in exchange for shares of PPL \$15 million of Notes receivable from PPL (after cancelling all interest accrued and unpaid thereon). Global contributes such PPL shares to PLLC in exchange for additional equity in PLLC. PPL subsequently cancels such \$15 million of Notes receivable. |
| Conversion and Cancellation of PLLC Debt by Global | Global contributes to PLLC for additional equity a \$2.8 million Note receivable from PLLC (after cancelling all interest accrued and unpaid thereon). PLLC subsequently cancels such \$2.8 million Note receivable. |
| Modification by Global of PPL Debt | Global and PPL agree to (i) extend the maturity date of the remaining \$3 million Note from PPL held by Global to December 31, 2024, (ii) cancel all interest accrued and unpaid thereon and (iii) modify the payment terms to provide for the payment of interest in cash on an annual basis. |
| Documentation by Global of JMWT Ltd. Debt | Global and JMWT Ltd. agree to document the \$3.2 million loan made by Global to JMWT Ltd. The Note should have a maturity of December 31, 2024 and bear interest at the rate of one-month LIBOR + 2.50% per annum, to be paid in cash each year on the anniversary date of the Note. |
| Determination of Sale Price | Empire Valuation to determine enterprise value of PLLC following the above transactions. |

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| Funding Arrangements | <p>JMWT LLC commits as of the Closing Date to provide to PPL a 7-year term revolving line of credit of up to \$7 million, drawdowns to bear interest at the rate of one-month LIBOR + 2.50% per annum, to be paid in cash each year on the anniversary date of the drawdown.</p> <p>JMWT LLC to be senior to Global as a creditor and Global further agrees to be subordinated to an additional \$3 million of third party debt if JMWT LLC refuses to increase the credit line above \$7 million.</p> |
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2. Sale

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| Buyer | EFS Member LLC (“EFS”) |
| Seller | Global |
| Interest Sold | 100% of Global’s interest in PLLC |
| Purchase Price | 25% payable in cash and 75% payable with a note from EFS, having a maturity date of December 31, 2024 and bearing interest at the rate of 2.11% per annum, to be paid in cash or PIK each year on the anniversary date of the Note. |
| Modification by Global of EFS Debt | Consolidation of existing \$1.5 million note from EFS to Global with purchase price note referred to above (all accrued interest to be prepaid). |
| Closing Date | December 18, 2017 |
| Terms of Sale | <p>Conditions to Closing: Presale actions listed above.</p> <p>Global’s indemnification obligations to be guaranteed by APO-01 Declaration (“APO-01”) in exchange for the Publishing Trust agreeing to reimburse APO-01 for all such payments and to subordinate payments on its notes receivable from Global until APO-01 has been fully repaid on any such indemnification payments and on its notes receivable from Global.</p> |

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| Post-Closing Governance | EFS will be sole owner and manager of PLLC Global will have the right to appoint 1 member to the PPL Board, who will initially be Benjamin Black. |
| Amendment of LLC Agreement | The LLC Agreement of PLLC will be amended to reflect the LLC's single member ownership. |

3. **Post-sale Actions:** Following the closing of the sale, the following transactions will be implemented:

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| Contribution of Equity and Debt by PLLC, issuance of additional shares by JMWT Ltd. | PLLC contributes to JMWT Ltd. in exchange for additional shares of JMWT Ltd. (i) all of the PPL equity received in "Conversion and Cancellation of PPL Debt by Global" above and (ii) \$2.6 million of Notes receivable from PPL (after cancelling all interest accrued and unpaid thereon). JMWT Ltd. approves the contribution and issues the shares. |
| Conversion and Cancellation of Debt by JMWT Ltd., issuance of additional shares by PPL | JMWT Ltd. contributes to PPL in exchange for additional shares of PPL \$2.6 million of Notes receivable from PPL. PPL approves the contribution and issues shares. PPL subsequently cancels such \$2.6 million of Notes receivable. |