

PRIVATE & CONFIDENTIAL

October 12, 2015

Alan Halperin, Esq.
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019-6064

Dear Mr. Halperin:

You have requested, on behalf of your client Mr. Leon Black (the "Client"), Empire Valuation Consultants, LLC ("Empire") to estimate the percentage interest of a PIK¹ distribution (the "Interest"), payable by APO 1 GRAT No. 2, in Black Family Partners, LP ("BFP" or the "Partnership") as of June 3, 2015 (the "Valuation Date") having a fair market value of \$98,780,916. It is our understanding that this summary letter will be used by you and the Client for estate planning purposes related to a GRAT annuity payment.

To estimate the PIK Interest, Empire relied on the valuation report dated October 12, 2015, with an effective date of June 3, 2015 (the "Empire Report"). By reference, the Empire Report should be considered part of this letter and should be read in conjunction with this letter. That report concluded the fair market value of a 1% limited partnership interest in BFP at \$19,700,000.

Based on the Empire Report, a PIK distribution in the amount of \$98,780,916, payable by APO 1 GRAT No. 2, equates to a 5.0143% limited partnership interest in BFP ($\$98,780,916 \div \$19,700,000$) as of June 3, 2015. It is also our conclusion that there would be no changes or adjustments to any of the valuation adjustments applied in the Empire Report, for a 5.0143% interest.



Scott A. Nammacher, ASA, CFA
Managing Director

¹ Payment In Kind. To be clear, the PIK is a limited partnership interest in BFP.