

Leon,

Yesterday was hours upon hours of my time spent ,(speak to brad to get flavor) and you and i will discuss the results in gruesome detail on Friday. it mirrored many other weeks spent doing the things that I don;t have the time to do.

In order to keep things in perspective, reviewing an analogy I have used before with you, I thought might be helpful. You and your family are a 6 billion dollar corp. with income between 250 -500 million dollars per year. It contains a few operating biz's , a large wide array of existing investments, in various categories , a desire to enter into others. .a panoply of loans, notes. purchases, wide range of taxes. , planes. boats homes. . trusts grats. a crazy number of bank accts. (with no oversight) . law firms, acct firms, 800 page tax returns, foreign firms. art consultants. construction consultants bill payers, home mgmt.,vast multitude of llc's , including foreign, and with all that you only have a combined overhead of less that 3 million dollars.

I have previously sent you the very same note that i have enclosed again below ,this time with highlights . I wrote it to you over a year ago. As my acute disability (selective memory) seems to have been raised as one of your concerns , as a rule I try to memorialize things in writing in an attempt to lay out issues that I fear may later turn out to be a problem. ie what i would and wouldn't do , - my responsibilities. and those things that are not. including details of things that I thought needed to be done, so that you wouldn't find yourself in the very place where you currently find yourself. however ,you chose to defer many of my suggestions- see below -,until only weeks ago. ! you chose to defer the jpm acct. the art partnership on and on - into this year. and though the 60-50 40 timber emails all carried with it a clear warning that you needed to do something re personnel if it were to stabilize,- you chose to wait. (FYI the Carlyns art partnershipthat you referenced is only similar in title.)

ONE YEAR AGO

Feb 17 2014 i wrote :

With regard the more pressing issue I am uncertain of just how to proceed. I am torn, as my very strong inclination is not to be involved at all . It is extremely time consuming, delicate, fraught with many pitfall many that will make you very upset and a major pain in the ass. I wrote you months ago that the quality of the people involved need to be upgraded. (lucky for me these last issues arose way before the beginning of my involvement) I am also aware however of my overarching friendship obligations of ok, -given all the complexities who else can do it? problem.

Your family office needs a daddy. children with good intentions are running around , sniping , nitpicking with little direction. As a stopgap measure I am suggesting , we put in Larry Delson to take charge **Everyone would report to him. Eileen included.** He would however work for me. this is not, by a long shot my first choice as I prefer only being responsible and standing behind my own personal work (ie the word DONE will no longer be transmitted to reflect status stated by others)

With no commitment on my part whatsoever, to do it. So far as I have failed in my attempt in trying to think through the problem creatively . **My organizations handling of the more complex issues I believe you might find very costly,** very ! (however many structures available some risk sharing, maybe risk caps ,etc) but would **require my teams doing the work** , not yours. Ada should be only a trust, grat administrator. not sure what role you prefer for Eileen as you hired her initially to oversee investments. whether Rich your controller stays or not, is not urgent. having Tom report to a new person,- is. coordination with Suydam Kathy Gregory, I would suggest limiting to one person. The increasing public profile needs to be taken into consideration.

talk later..c

TODAY

With your consent ., Eileen did not report to Delson (he acting as conduit directly to me) , she continued to provide bad info to both you (cash flows , stock accts, structures. sales Etc) and me. and each time with my many annoying calls to you that she was g.....y !! No one was hired to run YOUR office until two months ago , no one was even interviewed and even now , Brad is not full time,(crazy) Hours upon hours of time need to be spent training him . and new staff. Eileen followed your instructions. not mine. in fact she continued to ignore mine saying " but Leon " its on" Leons desk" , You would become frustrated when i pointed out each instance. of her obfuscation. you were given the clear choice but to save money you chose not to hire my team . I was hired to do the architecture, you kept your own team. with Eileen at the head. instructions were

given by me, , detailed but ignored by your people. (except in the instances where I inserted myself and personally had to do weeks of grunt work),ex. jpm morgan acct still not in use? that being said If you do the cold calculation starting from where you were, to where you are currently . you made a hell of a deal. -- negotiating down my original amount requested , calling upon our friendship and suggesting that the Carlyn mess was partially my fault. (though in that specific example , I had never been asked to do more than provide you the name of the most highly recognized atty in the field, not consulted,or asked again for guidance along the way.). I accepted the discount as your friend. (suggesting now, that Tom is now that last word on tax characterization, frankly is a bit much,-). however - that is all in the past.

In order to move forward

I would ask that you realize that unlike yours, My business is only comprised of my personal attention and my personal time . time that I was forced to grossly overspend on your issues last year. . As you are my very close friend I will not have you participate in a bidding process that I will have this year for my time . (hopefully a more fair way) I would also ask that you keep in mind that though our deal expired months ago. (even apart from the fact that your understanding of the final terms neither reflected the emails or my memory, we finished it up your way.) I have answered every call brad , joslin, Ada or you, have made . reviewed docs over and over/ until once again, I was forced to insert myself strongly as I thought it dangerous not to. I made serious dollar and time concessions last year.very serious I am willing to continue to accommodate some of your concerns , but I am under no circumstances , none, willing to spend my time for free. its not fair. After cleaning up Carlyn's mess , which was a few weeks and 30 million dollars . We were both highly aware of the dire circumstances in which you found yourself last year, and in fact due predominately to its seriousness. and those very circumstances I took extra care in our negotiations . (you had claimed I had you over a barrel , (a horrible position to be in with my very close friend.), unfortunately I fear that if you are not very careful ,in the near future, another barrel will appear of your own design)

I heard you when you said you believed i had already been paid for the work that is now required. You will recall that you required that my payments be at the end of my work not at the beginning as everyone else. I eventually agreed, this of course should make clear that the 2014 tax year that will close Oct 2015 is not covered at all. I pointed this very fact out to you when I initially proposed a multi year agreement right out of the box. you said you preferred not. As you said ,I have produced results to date, far in excess of even my own exalted opinion of my projections. I have devoted a monumental amount of my limited amount of time-- way, way in excess of our agreement. I will be fair, I am willing to roll in the amount still outstanding from last year if that helps .. However, As my best student , and my only one, you are now capable of doing most not all of the required work yourself. I can put my whiteboard away when you come to eat and just have fun, trade stories,.. share moments ideas etc. . I am of course always available to guide you as a friend if you choose that route .. It will take a great deal of your time , but you will not have to spend any more money on mine .