

Summary of 2007 Annuity Payments

	Name of GRAT	Annually Payment Due	Loan Principal Due	Loan Interest Due	Net Annuity Payments Due to Leon
1	Judah Investment Trust A	\$ 703,869.77			\$ 703,869.77
2	Judah Investment Trust B	\$ 1,829,070.02			\$ 1,829,070.02
3	Judah Investment Trust C	\$ 22,603,141.76			\$ 1,949,416.73
4	Judah Investment Trust D	\$ 112,520,025.88	\$ (20,000,000)	\$ (653,726)	\$ 10,321,395.74
5	Judah Investment Trust E	\$ 4,758,556.16	\$ (100,000,000)	\$ (2,198,630)	\$ 4,758,556.16
6	Judah Investment Trust F	\$ 43,124,415.21	\$ (40,000,000)	\$ (416,274)	\$ 2,708,141.24
7	Judah Investment Trust G	\$ 10,310,205.01	\$ (5,000,000)	\$ (163,432)	\$ 5,146,773.50
8	Judah Investment Trust H	\$ 48,973,473.82	\$ (40,000,000)	\$ (112,863)	\$ 8,860,610.81
9	Judah Investment Trust I	\$ 39,902,476.14	\$ (25,000,000)	\$ (155,370)	\$ 14,747,106.27
10	Judah Investment Trust J	\$ 5,222,185.76			\$ 5,222,185.76
11	Judah Investment Trust K				
	Total	\$ 289,947,419.53	\$ (230,000,000)	\$ (\$3,700,295)	\$ 56,247,125.01

Summary of Loans Made to Leon Black in 2007

Lender Account	Amount	Accrued Interest Through 12/31/2007	Accrued Interest Plus Principal
LBF Holdings #1 Account			
From Judah Trust D	\$ 20,000,000	\$ 653,726	\$ 20,653,726
From Judah Trust E	\$ 100,000,000	\$ 2,198,630	\$ 102,198,630
From Judah Trust G	\$ 40,000,000	\$ 416,274	\$ 40,416,274
From Judah Trust H	\$ 5,000,000	\$ 163,432	\$ 5,163,432
From Judah Trust I	\$ 40,000,000	\$ 112,863	\$ 40,112,863
From Judah Trust J	\$ 25,000,000	\$ 155,370	\$ 25,155,370
Total	\$ 230,000,000	\$ 3,700,295	\$ 233,700,295

Summary of Withdrawals by Leon Black in 2007

Account	Amount
Black Family Partners Account	\$ 25,000,000 (personal capital)
Total	\$ 25,000,000

Summary of Transfers to Leon Black in 2007

Account	Amount
LBF Holdings LLC #1 Account	\$ 230,000,000 (loans)
LBF Holdings LLC #1 Account	\$ 56,247,125.01 (annuities net of loan repayment)
Total Transfers	\$ 286,247,125
Total Amount Received by Leon Black in 2007	\$ 311,247,125

Account Balances

LBF Holdings #1 Account

	Initial Balance	Loan to Leon	Withdrawals	Net Annuity Payment	Balance	Transfer From BFP	1/1/2008 Balance
Judah Investment Trust A (AM III)	\$ 836,199			\$ (703,870)	\$ (167,670)	\$ 185,284	\$ 17,613
Judah Investment Trust B (AM IV)	\$ 1,983,055			\$ (1,829,070)	\$ 153,985	\$ 685,245	\$ 839,229
Judah Investment Trust C (AM V)	\$ 31,495,360	\$ (20,000,000)		\$ (1,949,416)	\$ 9,545,944	\$ 10,883,223	\$ 20,429,167
Judah Investment Trust D (AM VI)	\$ 132,203,071	\$ (100,000,000)		\$ (10,321,366)	\$ 21,881,675	\$ 45,682,777	\$ 67,564,452
Judah Investment Trust E (AM)	\$ 9,432,703			\$ (4,758,556)	\$ 4,674,147	\$ 3,259,471	\$ 7,933,618
Judah Investment Trust F (Value)	\$ 68,665,938	\$ (40,000,000)		\$ (2,708,141)	\$ 23,958,797	\$ 23,036,763	\$ 46,995,561
Judah Investment Trust G (SVF)	\$ 9,917,318	\$ (5,000,000)		\$ (5,146,774)	\$ (229,456)	\$ 3,426,950	\$ 3,197,474
Judah Investment Trust H (Asia)	\$ 104,750,539	\$ (40,000,000)		\$ (8,860,611)	\$ 55,889,929	\$ 35,196,553	\$ 92,086,482
Judah Investment Trust I (Europe)	\$ 77,105,343	\$ (25,000,000)		\$ (14,747,106)	\$ 37,358,237	\$ 26,643,755	\$ 64,001,992
Judah Investment Trust J (AAA)							
Total:	\$ 434,090,527	\$ (230,000,000)	\$ -	\$ (51,024,959)	\$ 153,065,588	\$ 150,000,000	\$ 303,065,588

Black Family Partners, LP Account

	Initial Balance	Loan to Leon	Withdrawals	Net Annuity Payment	Transfer to LBF #1	1/1/2008 Balance
LBF Holdings LLC	\$ 317,557,008			\$ -	\$ (150,000,000)	\$ 167,557,008
Judah Investment Trust K	\$ 7,405,356			\$ (5,222,186)	\$ -	\$ 2,183,170
Judah Investment Trust L	\$ 8,985,213			\$ -	\$ -	\$ 8,985,213
Judah Investment Trust M	\$ 21,920,775			\$ -	\$ -	\$ 21,920,775
Judah Investment Trust N	\$ 18,297,487			\$ -	\$ -	\$ 18,297,487
Judah Investment Trust O	\$ 20,073,814			\$ -	\$ -	\$ 20,073,814
Leon D. Black Investment Trusts A	\$ 9,452,735			\$ -	\$ -	\$ 9,452,735
Black Family 1997 Trust	\$ 8,677,904			\$ -	\$ -	\$ 8,677,904
1992 trust for Joshua Max Black	\$ 6,751,636			\$ -	\$ -	\$ 6,751,636
1992 trust for Benjamin Eli Black	\$ 6,751,636			\$ -	\$ -	\$ 6,751,636
1992 trust for Alexander Samuel Black	\$ 6,751,636			\$ -	\$ -	\$ 6,751,636
1992 trust for Victoria Rachel Black	\$ 299,704			\$ -	\$ -	\$ 299,704
1988 trust for Joshua Max Black	\$ 299,704			\$ -	\$ -	\$ 299,704
1988 trust for Benjamin Eli Black	\$ 299,704			\$ -	\$ -	\$ 299,704
1988 trust for Alexander Samuel Black	\$ 299,704			\$ -	\$ -	\$ 299,704
1988 trust for Victoria Rachel Black	\$ 299,704			\$ -	\$ -	\$ 299,704
Total:	\$ 469,784,984	\$ (525,000,000)	\$ (5,222,186)	\$ -	\$ (150,000,000)	\$ 289,562,799

CASH RECONCILIATION-2007

BFP 5492

7-Apr

BFP 0135

LBF #1 a/c 4548

LBF #2 a/c 4902

TOTAL

\$ 431,696,805

\$ 431,696,805

\$ 431,696,805 dep-Dividend
 \$ (50,000,000) loan taken
 \$ (32,000,000) KUJE funded
 \$ 2,388,409 addl Div $\frac{7}{8}$
 \$ 5,312 addl Div
 \$ 12,200,000 interest

\$ 8,654,879 July inc
 \$ (394,422) check pd
 \$ 4,063,547 Aug income
 \$ (982,881) cap call
 \$ (5,000,000) loan taken 9/28
 \$ 1,346,261 Oct inc
 \$ 2,313,366 Nov inc
 \$ (713,514) checks pd
 \$ (819,068) check pd
 \$ 121,198 Dec inc

\$ 460,545,600 strategic sale
 \$ (100,000,000) loan taken 8/14
 \$ (20,000,000) loan taken 9/17
 \$ (10,000,000) PFPC funded
 \$ (5,000,000) loan taken 11/6
 \$ (20,000,000) loan taken 11/5
 \$ (20,000,000) loan taken 11/8
 \$ (25,000,000) cap WD 11/28
 \$ (15,000,000) loan taken 12/10
 \$ (900,000) HAO Cap funded
 \$ (2,000,000) iCrete funded
 \$ (50,000,000) LonePine funded
 \$ 7,500,000 interest

\$ (56,247,125) DecGRAT pay
 \$ 308,718,330 balance

12/31/2007

\$ 8,541,514 balance

\$ 200,457,562 balance

\$ 517,717,426

Summary of 2008 Annuity Payments

<u>Name of GRAT</u>	<u>Annuity Payment Du</u>	<u>Income taken</u>	<u>Due to Leon</u>	<u>Loan prin due</u>	<u>Interest</u>	<u>Payments net of loan repay</u>
1 Judah Investment Trust A	\$ -					
2 Judah Investment Trust B	\$ 844,644	\$ (122,026)	\$ 722,618			\$ 722,618
3 Judah Investment Trust C	\$ 2,194,884	\$ (451,300)	\$ 1,743,584			\$ 1,743,584
4 Judah Investment Trust D	\$ 27,123,770	\$ (7,167,637)	\$ 19,956,133			\$ 199,562,133
5 Judah Investment Trust E	\$ 135,024,031	\$ (30,086,454)	\$ 104,937,577	\$ 10,000,000	\$ 107,000	\$ 94,830,577
6 Judah Investment Trust F	\$ 5,710,267	\$ (2,146,672)	\$ 3,563,595			\$ 3,563,595
7 Judah Investment Trust G	\$ 51,749,298	\$ (15,171,899)	\$ 36,577,399			\$ 36,577,399
8 Judah Investment Trust H	\$ 12,372,246	\$ (2,256,959)	\$ 10,115,287			\$ 10,115,287
9 Judah Investment Trust I	\$ 58,768,169	\$ (23,838,873)	\$ 34,929,296			\$ 34,929,296
10 Judah Investment Trust J	\$ 47,882,971	\$ (17,547,447)	\$ 30,335,524			\$ 30,335,524
11 Judah Investment Trust K	\$ 6,266,663	\$ -	\$ 6,266,663			\$ 6,266,663
	\$ 347,936,943	\$ (98,789,267)	\$ 249,147,676	\$ 10,000,000	\$ 107,000	\$ 239,040,675
LBF Holdings				\$ 110,000,000	\$ 1,761,852	\$ -
12 Judah Investment Trust L	\$ 11,190,156	0	\$ 11,190,156	\$ 8,000,000	\$ 64,493	\$ 3,125,663
13 Judah Investment Trust M	\$ 29,041,930	0	\$ 29,041,930	\$ 21,000,000	\$ 148,774	\$ 7,893,156
14 Judah Investment Trust N	\$ 60,058,911	0	\$ 60,058,911	\$ 18,000,000	\$ 145,110	\$ 41,913,801
15 Judah Investment Trust O	\$ -	0	\$ -	\$ 25,000,000	\$ 356,617	\$ -
Leon D Black Investment Tr A				\$ 9,000,000	\$ 130,598	\$ -
Black Family 1997 Trust	\$ -	\$ -	\$ -	\$ 9,000,000	\$ 130,598	\$ -
	\$ 100,290,997	\$ -	\$ 100,290,997	\$ 200,000,000	\$ 2,738,042	\$ 52,932,620
Total payments scheduled	\$ 448,227,940	\$ -	\$ 349,438,673	\$ 210,000,000	\$ 2,845,042	\$ 291,973,295

Calculation of Loan Interest

Repayments on June 4, 2008:

Date of loa	Original Outstand repay 6/5/08	GRAT	Rate	Days out	Int due	Int paid	int credit
4/17/2008	\$ 20,000,000	Judah M	5.35%	48	\$ 140,712	\$ 140,712	
4/10/2008	\$ 1,000,000	Judah M	5.35%	55	\$ 8,062	\$ 8,062	
4/10/2008	\$ 18,000,000	Judah Tr N	5.35%	55	\$ 145,110	\$ 145,110	
4/10/2008	\$ 8,000,000	Judah Tr L	5.35%	55	\$ 64,493	\$ 64,493	
4/10/2008	\$ 13,000,000	Judah Tr O	5.35%	55	\$ 104,801	\$ 104,801	
4/10/2008	\$ 110,000,000	LBF	5.35%	55	\$ 644,932	\$ 684,467	\$ 39,535
	\$ 170,000,000				\$ 1,108,110	\$ 1,147,645	\$ 39,535

Repayments on Dec 20, 2008

4/10 Bal	\$ 30,000,000	LBF	5.35%	254	\$ 1,116,920	\$ 39,535	\$ 1,077,385
New loans							
7/21/2008	\$ 10,000,000	Judah Tr O	0	152	\$ 222,794		\$ 222,794
9/12/2008	\$ 20,000,000	see below					
	\$ 2,000,000	Judah Tr O	5.35%	99	\$ 29,022		\$ 29,022
	\$ 9,000,000	Inv Tr A	5.35%	99	\$ 130,598		\$ 130,598
	\$ 9,000,000	97 Trust	5.35%	99	\$ 130,598		\$ 130,598
10/08/208	\$ 10,000,000	Judah Tr E	5.35%	73	\$ 107,000		\$ 107,000
	\$ 40,000,000				\$ 2,845,042		\$ 620,012
Total Loans							
	\$ 210,000,000				\$ 2,845,042		\$ 2,845,042

Calculation of Net Annuity Payment

Grat	Due	Scheduled payment	Less Income Distributed	Net payment due before loan repay
Judah Tr L	6/5/2008	\$ 11,190,156	\$ -	
Judah Tr M	6/5/2008	\$ 29,041,931	\$ -	
Judah Tr N	6/5/2008	\$ 60,058,911	\$ -	
		\$ 100,290,998	\$ -	\$ 100,290,998

6/5/08 Payments

Grat Pay due	\$ 100,290,998	
Income due Leon*	\$ 78,789,268	
Loan repayment**	\$ (141,147,645)	
	\$ 37,932,621	net cash paid to Leon

*Included in income:

1Q BFP Inc	\$ 6,792,264	
1Q LBF Inv Inc	\$ 3,254,205	
BFP Inc - Apr&May	\$ 21,518,906	(=\$20,873,087+\$645,819)
	\$ 31,565,375	

**see Loan Int Tab

All of the above was calculated 6/4/08 before 6/5/08 Grat payment

Grat	Due	Scheduled Payment	Less Inc dist***	Net Payment due before loan repay
Judah Inv Tr A	12/20/2008			\$ -
Judah Inv Tr B	12/20/2008	\$ 844,644	\$ (122,026)	\$ 722,618
Judah Inv Tr C	12/20/2008	\$ 2,194,884	\$ (451,300)	\$ 1,743,584
Judah Inv Tr D	12/20/2008	\$ 27,123,770	\$ (7,167,637)	\$ 19,956,133
Judah Inv Tr E	12/20/2008	\$ 135,024,031	\$ (30,086,454)	\$ 104,937,577
Judah Inv Tr F	12/20/2008	\$ 5,710,267	\$ (2,146,672)	\$ 3,563,595
Judah Inv Tr G	12/20/2008	\$ 51,749,298	\$ (15,171,899)	\$ 36,577,399
Judah Inv Tr H	12/20/2008	\$ 12,372,246	\$ (2,256,959)	\$ 10,115,287
Judah Inv Tr I	12/20/2008	\$ 58,768,168	\$ (23,838,873)	\$ 34,929,295
Judah Inv Tr J	12/20/2008	\$ 47,882,971	\$ (17,547,447)	\$ 30,335,524
Judah Inv Tr K	12/20/2008	\$ 6,266,663	\$ -	\$ 6,266,663
		\$ 347,936,942	\$ (98,789,267)	\$ 249,147,675

*** \$78,789,267 dist 6/5 + \$20,000,000 dist Aug '08

12/20/08 Payments

Grat payment due	\$347,936,942	
Income already dist	\$98,789,267	
Net Grat payment due	\$ 249,147,675	
Loan repayment to Judah Tr E	\$ (10,107,000)	
Grat payment due from LBF	\$ 232,773,999	
Grat payment due from BFP	\$ 6,266,663	
Loan repayments w/interest**	\$ (61,590,397)	
	\$ 177,450,265	net cash paid to Leon

CASH RECONCILIATION-2008 DETAIL

	BFP 5492/4386	BFP 0135	LBF#1 acct. 4548/8049	LBF #2 acct. 4902/8403	TOTAL
31-Dec	\$ 8,541,514	\$ 3,000,000	\$ 308,718,330	\$ 200,457,582	\$ 517,717,426
	\$ 12,185,558	\$ 7,606,612			\$ 12,185,558
	\$ (1,874,988)	\$ (3,000,000)			\$ (1,874,988)
	\$ 14,949,107	\$ 14,949,107			\$ 14,949,107
31-Jan	\$ 3,826,220	\$ 2,545,771	\$ 309,240,323	\$ 200,829,793	\$ 527,564,994
	\$ 18,815,313	\$ (877,398)			\$ (877,398)
	\$ 2,441,714	\$ 69,862,066			\$ 69,862,066
28-Feb	\$ 18,814,445	\$ 71,660,499	\$ 310,142,498	\$ 201,384,507	\$ 602,002,949
	\$ 51,850,564	\$ (513,561)	\$ 3,254,205	\$ 201,955,205	\$ 603,073,855
31-Mar	\$ 66,964,802	\$ (66,964,802)	\$ (75,150,000)	\$ (150,000,000)	\$ (150,000,000)
	\$ (20,000,000)	\$ 30,879,084	\$ (75,150,000)	\$ (51,850,564)	\$ (20,000,000)
	\$ (1,203,517)	\$ (4,349,385)			\$ (3,738,823)
	\$ 1,814,079	\$ 31,927,257	\$ 236,747,451	\$ 2,753	\$ 385,057,825
4/30/2008	\$ 116,531,984	\$ 31,273,125	\$ (9,992,240)	\$ 23,714	\$ (9,992,240)
	\$ (22,664,000)	\$ 2,064,903	\$ 227,226,149	\$ 23,714	\$ 375,054,972
5/31/2008	\$ 94,272,196	\$ (15,268,621)	\$ 227,224,510	\$ 23,752	\$ 2,064,902
	\$ 22,109,049	\$ 18,104,776	\$ 6,306,659	\$ 23,752	\$ (37,932,621)
	\$ (10,000,000)	\$ 6,306,659			\$ 339,625,234
30-Jun	\$ 106,530,276	\$ 24,411,435	\$ 227,656,648	\$ 22,128	\$ 22,109,049
	\$ (32,000,000)	\$ (1,203,517)	\$ (10,000,000)	\$ (22,127)	\$ (10,000,000)
	\$ 74,894,413	\$ 1,955,762	\$ 227,656,648	\$ 22,128	\$ 359,620,487
	\$ (25,000,000)	\$ 25,212,058	\$ (60,000,000)	\$ 60,000,000	\$ (20,000,000)
8/31/2008	\$ 106,710,130	\$ 32,000,000	\$ 204,907,881	\$ 1	\$ (3,113,015)
	\$ (32,000,000)	\$ (20,000,000)	\$ (60,000,000)	\$ 60,000,000	\$ (1,203,517)
	\$ 74,894,413	\$ (1,980,560)	\$ 145,271,763	\$ 60,029,672	\$ 1,955,766
	\$ (25,000,000)	\$ 34,230,734	\$ (50,000,000)	\$ 50,000,000	\$ 336,830,069
30-Sep	\$ 49,929,585	\$ 25,000,000	\$ 107,852,446	\$ 107,997,782	\$ (20,000,000)
	\$ 49,943,826	\$ (3,146,152)	\$ 85,380,623	\$ (2,396,762)	\$ (20,000,000)
	\$ (3,876,323)	\$ 1,892,814	\$ 17,906,833	\$ 107,997,782	\$ 301,266,889
	\$ (20,135,706)	\$ 58,104,235	\$ 85,421,397	\$ 107,997,782	\$ 5,542,914
	\$ 5,526,547	\$ 58,182,533	\$ (17,906,833)	\$ 6,797,321	\$ 301,545,538
	\$ 1,324,316	\$ (6,797,321)	\$ (25,000,000)	\$ (114,796,102)	\$ (46,785,156)
	\$ 32,803,089	\$ 51,416,766	\$ (62,655,162)	\$ 75,185	\$ 1,415,458
12/31/2008	\$ 32,803,089	\$ 51,416,766	\$ (62,655,162)	\$ 75,185	\$ 6,850,863
			\$ 42,991	\$ 75,185	\$ 177,450,265
					\$ 84,338,031

Weil, Gotshal & Manges LLP
MEMORANDUM

May 5, 2008

To: Leon Black
John Suydam
cc: Tom Turrin

From: Carlyn McCaffrey
Elyse Kirschner

Re: December 2008 Annuity Payments from 2006 GRATs

By December 20, 2008, the trustees of each of the eleven (11) grantor retained annuity trusts ("GRATs") Leon established on December 21, 2006 are required to make an annuity payment to Leon. Based on the appraisals of the assets Leon transferred to the GRATs prepared by Empire Valuation Consultants and Ernst & Young, the 2007 annuity payments from the GRATs are as follows:

Judah Investment Trust A:	\$	273,616.98 - ?
Judah Investment Trust B:	\$	844,643.72
Judah Investment Trust C:	\$	2,194,884.03
Judah Investment Trust D:	\$	27,123,770.12
Judah Investment Trust E:	\$	135,024,031.06
Judah Investment Trust F:	\$	5,710,267.39
Judah Investment Trust G:	\$	51,749,298.25
Judah Investment Trust H:	\$	12,372,246.02
Judah Investment Trust I:	\$	58,768,168.58
Judah Investment Trust J:	\$	47,882,971.37

Judah Investment Trust K: \$ 6,266,662.91¹

TOTAL: ~~\$348,210,520.41~~ 347,939,942

Please note that by December 20, 2008 each GRAT should have distributed to Leon an aggregate amount of assets equal to the amount of its required annuity payment. If a GRAT distributed to Leon the operating profits earned by the Apollo interests held in the GRAT during the course of the year, the annuity amount payable to Leon on December 20th should be reduced by the amount of such operating profits he received during the year. Once the GRATs have made their final 2008 payments, the assets remaining in the GRATs should be distributed to the Black 2006 Family Trust.

If you have any questions, please call Carlyn at (212) 310-8136 or Elyse at (212) 310-8665.

* * * * *

As part of its effort to curb tax shelters, the Internal Revenue Service recently issued regulations that impose sanctions on attorneys who provide informal written tax advice without prominently disclosing that the advice cannot be relied upon by the taxpayer for the purpose of avoiding penalties. Because this memorandum contains a discussion of tax issues that we do not believe warrants the significant additional time or expense that would be involved in the preparation of a formal opinion that complies with the IRS rules, we include the relevant IRS disclosure, below. If you would like us to prepare a formal tax opinion on which you may rely for penalty relief, please let us know, and we can discuss the cost of preparing one.

* * * * *

IRS Circular 230 Notice: To ensure compliance with requirements imposed by the IRS, we inform you that any U.S. tax advice contained in this communication is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein. For more information about this notice, see <http://www.weil.com/circular230/article.html>

* * * * *

¹ This figure may be subject to change based on the revised appraisal we are expecting from Ernst & Young.