

ART USE AGREEMENT

AP NARROWS LP

THIS ART USE AGREEMENT (the "Agreement") is made by and between AP Narrows LP, a Delaware limited partnership (the "Partnership"); Barry J. Cohen and John J. Hannan, as the trustees (the "APO-01 Trustees") of the trust created under the APO-01 Declaration dated November 30, 2015 ("APO-01 Declaration"); Bradley J. Wechsler, as the trustee (the "APO-B Trustee") of the trust created under the APO-B Trust dated May 20, 2015 (the "APO-B Trust") (the APO-B Trustee together with the APO-01 Trustees, collectively the "Trustees"); Narrows Holdings LLC ("Holdings"), a New York limited liability company; Leon D. Black ("LDB" and together with the Trustees and Holdings, the "Partners"); and Debra R. Black ("DRB") (the Partnership, the Partners and DRB, collectively, the "Parties").

WHEREAS, the Partnership owns the items of art listed on the attached Schedule A (the "Art");

WHEREAS, by Section 8.1.1 of the Limited Partnership Agreement of the Partnership, dated February 24, 2015, the Class B General Partners have full authority to make all decisions regarding the rent-free use of Partnership property, including the Art, by the Partners during any period that such property is not being rented for fair market value or loaned for exhibition by the Partnership (a "Use Period");

WHEREAS, the Partners collectively own a 100% partnership interest in the Partnership;

WHEREAS, the Art currently is not otherwise rented for fair market value;

WHEREAS, the Class B General Partners have determined to permit the rent-free use of the Art during each Use Period by LDB, the Trustees and Holdings, as sole Partners, and the Partners have agreed to such use;

WHEREAS, DRB is a beneficiary of APO-01 Declaration and the APO-01 Trustees have the power to permit DRB to use trust property;

WHEREAS, DRB is a beneficiary of APO-B Trust and the APO-B Trustee has the power to permit DRB to use trust property;

WHEREAS, the Trustees have determined, to the extent the Trustees may use the Art, to permit the rent-free use of the Art by DRB during such Use Period, and DRB has agreed to such use;

WHEREAS, the Parties would like to formalize the terms under which the Trustees and the Partnership have agreed to allow LDB and DRB (collectively, the "Tenants") to use the Art during a Use Period; and

WHEREAS, the Tenants acknowledge that the Art listed on Schedule A not presently on loan for exhibition is currently in their possession and is in good condition.

NOW THEREFORE, the Parties agree as follows:

1. **INSURANCE.** Insurance shall be maintained on the Art pursuant to a separate agreement among the Partners whereby the Partners have agreed to maintain one or more all risk fine arts insurance policies covering the Art (the "Art Insurance") and the Partnership has agreed to pay the costs of such coverage (the "Insurance Agreement"). The Tenants shall be provided with a copy of the Art Insurance and shall be immediately notified of any change to or cancellation of the Art Insurance or the Insurance Agreement.
2. **LIABILITY.** Each of the Tenants agrees that he or she shall be liable to the Partnership for any damage to or loss of the Art during a Use Period that is not covered by the Art Insurance, but only to the extent that such damage or loss is a direct result of such Tenant's gross negligence or willful misconduct.
3. **RENT-FREE USE.** The Tenants shall not be required to make any payment to the Partnership or Partners in exchange for the use of the Art.
4. **OBLIGATION OF TENANTS.** Each of the Tenants agrees that he or she shall, during each Use Period:
 - a. maintain possession of the Art on behalf of the Partnership during the term of this Agreement;
 - b. maintain the Art in good condition and comply with all reasonable recommendations which may be made by any expert employed by the Partnership concerning the conditions in which the Art should be kept for the purposes of maintaining the Art in good condition; provided, however, the Parties agree that the Art may be subject to gradual inherent deterioration for which no Party is responsible;
 - c. undertake such work of conservation as reasonably may be required by the Partnership and comply with any terms reasonably laid down by the Partnership as to the manner in which and the persons by whom any such works of conservation may be conducted;
 - d. notify the Partnership immediately of any damage to or theft of the Art;
 - e. take all reasonable steps to preserve the Art in a clean and reasonable state of repair (damages by fire and other insurable risks excepted); and
 - f. permit the Partnership or any person authorized by the Partnership at reasonable times and upon reasonable notice to inspect the Art and to give the Partnership at all times reasonable information as to the location of the Art.

5. TERM. This Agreement shall terminate on the day prior to the first anniversary of the Effective Date (as defined below). The Tenants shall have the right to extend the term of this Agreement for consecutive terms of one (1) year each. Such extensions shall be automatic for so long as the Partners own the Partnership, the Partnership owns the Art, DRB is a beneficiary of the APO-01 Declaration and APO-B Trust and the Tenants are then living; provided, however, that each of the Tenants and the Partnership shall have the right to elect not to extend the term of this Agreement by giving written notice to the other Parties at least sixty (60) days prior to the expiration of the then current term. Such notice shall be delivered to the other Parties pursuant to paragraph 8 hereof.
6. TERMINATION AND RETURN OF ART. Upon termination of this Agreement pursuant to paragraph 5 hereof, no Party shall have any further obligation to the other Parties, except as specifically provided in this paragraph. The Tenants shall return the Art to the Partnership within thirty (30) business days of termination at such Tenant's expense and to such address as the Partnership shall direct in a written notice delivered to such Tenant. The provisions of paragraphs 1 and 2, relating to insurance and liability for damage to the Art, shall survive the termination of this Agreement and shall continue until the Art has been delivered to the Partnership in accordance with this paragraph.
7. ART VALUATION IN EVENT OF LOSS OR DAMAGE. In the event of damage to or total loss of any item of the Art during a Use Period, the value of such item for purposes of adjusting claims for such loss shall be the fair market value of such item as agreed to by the Partnership and their insurance underwriters. For this purpose the "fair market value" of an item of Art shall mean the amount for which such item could have been sold immediately before the physical loss or damage which reduced the value of the item to the Partnership and results in a claim for loss.
8. NOTICES. Any notice required herein shall be deemed to have been delivered to a Party at such time as it is actually received by such Party. Notices shall be delivered to a Party at the address set forth below, unless such Party provides another address to the other Party for purposes of delivering notices.

To: DRB: Debra R. Black
760 Park Avenue, 7th Floor
New York, New York 10021

To: APO-01 Declaration: John J. Hannan, Trustee
C/o Elysium Management LLC
445 Park Avenue, Suite 1401
New York, New York 10022

To: APO-B Trust: Bradley J. Wechsler, Trustee
C/o Elysium Management LLC

445 Park Avenue, Suite 1401
New York, New York 10022

To: Holdings: Leon D. Black, Sole Member and
Authorized Person
760 Park Avenue, 7th Floor
New York, New York 10021

To: LDB: Leon D. Black
760 Park Avenue, 7th Floor
New York, New York 10021

To: the Partnership: Bradley J. Wechsler, Trustee of APO-B
Trust, Class B General Partner
C/o Elysium Management LLC
445 Park Avenue, Suite 1401
New York, New York 10022

9. ENTIRE AGREEMENT/CHOICE OF LAW. This Agreement contains the entire understanding between the Parties with respect to the Art and may only be modified by a written document signed by all Parties. This Agreement shall be interpreted in accordance with the laws of the State of New York.
10. EFFECTIVE DATE. This Agreement shall be effective as of _____, 2016 (the "Effective Date").
11. COUNTERPARTS. This Agreement may be executed in counterparts which, taken together, shall be treated as an original instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Art Use Agreement as of the Effective Date.

Debra R. Black

Leon D. Black

APO-01 DECLARATION

By: _____
Barry J. Cohen, Trustee

By: _____
John J. Hannan, Trustee

APO-B TRUST

By: _____
Bradley J. Wechsler, Trustee

NARROWS HOLDINGS LLC

By: _____
Leon D. Black, Sole Member and
Authorized Person

AP NARROWS LP

APO-B Trust, Class B General Partner

By: _____
Bradley J. Wechsler, Trustee

SCHEDULE A
ART USE AGREEMENT

[Works of art.]