

Status of Action Step-Documents

Art Investment Entity

As of 11.25.14

A. Provide Trustees with Information		Status of Document
1.	Inventory of Trust assets and percentage of overall trust assets to be invested in Narrows-based on current holdings	Received by all Trustees at 11.21.14 Trustees meeting.
2.	Schedule of purchases/sales/gains/losses with breakdown of asset class	Received by all Trustees at 11.21.14 Trustees meeting.
3.	Projected Cash Needs for Narrows and anticipated capital call requirements	Assume \$2 million per year of cash needs. Rich J. to project capital calls anticipated.
B. Restructure Narrows I		
4.	Amended and Restated LLC Agreement for Narrows <ul style="list-style-type: none"> • <i>Need bank consent to amend Operating Agt.</i> 	PW to revise draft sent 10.22.14
5.	LDB Contribution Confirmation-confirming each work of art he contributed to Narrows I <ul style="list-style-type: none"> • LDB to decide what art, if any, should be distributed out of Narrows I before contributing art to Narrows III 	Heather to confirm with LDB and work with PW to complete draft sent 10.22.14
C. Creation and Funding of Narrows Holdings III, LP		
6.	Certificate of Formation	Paul Weiss to draft
7.	Agreement of Limited Partnership	Paul Weiss to draft
8.	Contribution Agreement. - Narrows I to contribute art for a Class A GP interest and LP interest <ul style="list-style-type: none"> • LDB to decide what art Narrows I will contribute to Narrows III • <i>Give bank 3-days' notice and comply with substitution/release of collateral provisions</i> 	Paul Weiss to draft
9.	Contribution Agreement - LDB to contribute art (not in Narrows I) for a Class B GP interest and LP interests <ul style="list-style-type: none"> • LDB to decide what art to contribute to Narrows III 	Paul Weiss to draft
10.	Appraised value of art contributed	Heather to retain Sotheby's

D. Creation and Funding of Trust B		Status of Document
11.	Trust Agreement creating Trust B (same dispositive provisions as APO1 Agreement-same RAP period) <ul style="list-style-type: none"> • LDB to decide on the Trustee 	Paul Weiss to draft
12.	Trustees resolution to bifurcate Note receivable from LDB into two Notes and decant second Note to Trust B.	Paul Weiss to draft
13.	Restated Note in favor of APO1 (reduced by value of Narrows III Class B GP interest)	Paul Weiss to draft
14.	New Note in favor of Trust B equal to value of Narrows III Class B GP interest.	Paul Weiss to draft
15.	Valuation of Narrows III Class B GP interest	Paul Weiss to retain Empire?
F. Sale of Class B GP Interest		
16.	Purchase and Sale Agreement between LDB and Trust B for sale of Narrows III Class B GP interest	Paul Weiss to draft
17.	Assignment Agreement - assigning Class B GP interest from LDB to Trust B (amendment to Schedule A of LP Agreement for Narrows III?)	Paul Weiss to draft
18.	Assignment Agreement - assigning LDB's Note receivable from Trust B to LDB and acknowledgment of Note cancellation	Paul Weiss to draft
G. Admission of new LPs to Narrows III		
19.	Contribution Agreement - APO1 to contribute art and LDB 2011 LLC	Paul Weiss to revise draft sent 11.12.14
20.	Assignment Agreement - APO1 assigns LDB 2011 LLC interests	Paul Weiss to revise draft sent 11.12.14
21.	Valuation of LDB 2011 LLC	Paul Weiss to retain Empire?
22.	Contribution Agreement - APO2 to contribute art	Paul Weiss to revise draft sent 11.12.14
23.	Appraised value of art contributed	Heather to retain Sotheby's

H. Restructure BAC Loans		Status of Document
24.	Restructure BAC loan and pledge agreements to permit Narrows I: <ul style="list-style-type: none"> To have managing and non-managing member interests Invest art collateral in Narrows III Replace its guaranty and pledge of art with LDB's guaranty and pledge of non-managing Member interests in Narrows III 	LDB will discuss with BAC when all documents are ready to go and Trustees are on board.
F. Creation of NAR -Distribution of NAR interests		
25.	LLC Operating Agreement for NAR Investments LLC	Draft sent to JEE 10.22.14- waiting for his approval
26.	BFP Resolution to contribute non-Apollo investments to NAR and to distribute interests in NAR <i>pro-rata</i> to BFP partners	PW draft sent 11.12.14. AC to review
27.	Contribution Agreement - BFP to contribute interests in certain non-Apollo investments to NAR	PW draft sent 11.12.14. AC to review
28.	Assignment Agreements for various non-Apollo investments assigning interests from BFP to NAR	Rich J. and Rich D. to provide
29.	Assignment Agreement assigning interests in NAR to BFP partners	PW draft sent 11.12.14. AC to review
G. Contribution of NAR interests to Narrows III (once LDB has received his NAR interests from the GRATs)		
30.	Contribution Agreement—LDB contributes NAR interests to Narrows III for a larger LP interest	PW to revise draft sent 11.12.14
31.	Assignment Agreement--LDB assigns NAR interests to Narrows III	PW to revise draft sent 11.12.14
32.	Contribution Agreement—APO1 contributes NAR interests to Narrows III for a larger LP interest	PW to draft
33.	Assignment Agreement—APO1 assigns NAR interests to Narrows III	PW to revise draft sent 11.12.14

G. Contribution of NAR interests to Narrows III (once LDB has received his NAR interests from the GRATs)		Status of Document
34.	Contribution Agreements—APO2 contributes NAR interests to Narrows III for a larger LP interest	PW to draft
35.	Assignment Agreements—APO2 assigns NAR interests to Narrows III	PW to revise 11.12.14 draft
36.	Valuation of NAR LLC	Paul Weiss to retain Empire?
H. Other Agreements		
37.	Art use Agreement with new Narrows III	PW to revise 11.12.14 draft
38.	Licensing Agt. With Phaidon?	On Hold
39.	Independent contractor agreement with art advisors (Diana Howard and Charlie Moffett)	Heather will discuss with LDB as to how he wishes to handle
40.	Narrows III lease agreement regarding use of office space by Narrows employees	Rich J. to determine a rent allocation – PW to draft
I. Obtain new Fine Art Insurance		
	Ensure art has appropriate insurance coverage in each ownership entity	Rich J. to arrange