

LEON D. BLACK  
760 PARK AVENUE  
7TH FLOOR  
NEW YORK, NEW YORK 10021

\_\_\_\_\_, 2015

To the Trustees of the APO1 Agreement:

This letter is intended to provide insight with respect to the investment policies of the APO1 Agreement.

I have left to you the difficult task of investing trust assets. To aid you in fulfilling your fiduciary duties with respect to trust investments, I wish to share with you my perspective. As you know, this guidance does not change your fiduciary responsibilities. You continue to possess discretion and authority under the trust agreement. Nevertheless, I hope that you will take my views into account, which I have gained over decades of experience as a successful investor and art collector.

First, every investment carries some risk. While each individual investment may not be a success, in the long run, a portfolio of investments, with elements of risk, may yield a greater return than a portfolio of conservative investments.

Second, I have come to realize that successful investing is a process that requires education and experience. As the Trust is in place for the benefit of Debra and my descendants, it is my hope that they will benefit not merely financially, but also by gaining investment education and experience. Accordingly, I would encourage you to consider investment proposals initiated by my children and seek to include them in the process as you deem appropriate.

Finally, I wish to underscore my positive view of various alternative investments, including, but not limited to, works of art, venture capital, private equity and credit instruments, among others.

Thank you for taking on this responsibility.

Sincerely,

Leon D. Black