

DOCUMENT SUMMARY

To: Leon D. Black, Member, Narrows Holdings LLC
From: Heather Gray
Date: October 6, 2014
Re: Summary of Loan Agreement between Narrows Holdings LLC and
Neue Galerie New York

I. The Loan.

Narrows Holdings LLC is loaning three works by Egon Schiele, *Self-Portrait*, *Two Nudes* and *Violet Stockings*, to Neue Galerie New York for its *Egon Schiele: Portrait* exhibition, on view from October 9, 2014 through January 19, 2015. (The APO1 trust is also loaning a work by Egon Schiele, *Self-portrait as St. Sebastian*, to this exhibition.)

II. Credit Line; Catalogue.

The credit line for wall labels and the catalogue is "Private Collection." Neue Galerie will send two copies of the exhibition catalogue to you and one copy to Diana Howard.

III. Photography and Reproduction.

- A. Digital File. If available, Diana will provide a digital file with images of the Schieles to Neue Galerie for its use in connection with the exhibition.
- B. Photography. To the extent a museum wants to take photographs or video of a work itself, Diana specifies the maximum light levels to which the work may be safely exposed. As you know, these works by Schiele are all works on paper, so Diana has specified maximum light levels and required that they be covered with opaque paper during installation and de-installation (when the light level in the room will be necessarily high). The Schieles will also be protected by shatterproof anti-reflectives, which will be removed when they are returned to you. We always require museum curatorial or conservation staff to oversee any photography or filming of a work.
- C. Copyright. Works by Schiele are outside of copyright protection, which as you know extends 70 years after the death of the artist. Nonetheless, the loan agreement contains our standard copyright language because the digital file might be subject to copyright held by the photographer who took the photographs. The loan agreement allows Neue Galerie to reproduce the Schieles in the exhibition

catalogue, for publicity purposes and for commercial merchandise (such as postcards) sold during the exhibition for the benefit of the museum.

IV. Shipping; Condition Reports.

- A. Shipping. Diana (or another approved courier named in the Agreement) will accompany the Schieles to the museum and oversee unpacking and installation at the museum. When the exhibition is over, she will return to the museum to oversee repacking and the return of the Schieles to your residence. Transport is handled by Dietl International Services.
- B. Condition Reports. We require condition reports to be prepared for the Schieles each time they are moved, i.e., before they are packed at your residence, when they arrive at the museum and are unpacked, at the end of the exhibition before they are repacked and when they arrive back at your residence and are unpacked. We also require the museum to notify us immediately if there is any damage to a work during the exhibition.

V. Insurance.

Diana and Jeffrey Haber are consulted on the insurance provisions for loans to museums. Diana determines the “insurance value” for each work loaned based on Sotheby’s most recent appraised value and what she thinks it would cost to replace the work in the marketplace. The insurance value for each of the Schieles is: (i) \$1,500,000 for *Self-Portrait*, (ii) \$4,000,000 for *Two Nudes*, and (iii) \$3,500,000 for *Violet Stockings*. Neue Galerie is covering the Schieles under its own insurance policy. Neue has sent us a certificate of insurance evidencing the coverage.

VI. Expenses.

Neue Galerie is paying all expenses related to the loan, including shipping, courier fees, condition reports, insurance and reproduction of the Schieles.