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**Black Family Partners, L.P.
Apollo Ownership, Exchange and Resale Considerations
June 16, 2014**

Paul, Weiss, Rifkind, Wharton & Garrison LLP

Relevant Documentation

- Second Amended and Restated Exchange Agreement, dated as of March 5, 2014
- Agreement Among Principals, dated as of July 13, 2007
- Shareholders Agreement, dated as of July 13, 2007
- Apollo Global Management, LLC (“APO”) Insider Trading Policy

Handwritten notes at bottom right: "After 10/1/16", "Lynn", "Helen".

Ownership and Exchange

- Black Family Partners, L.P. ("BFP"), an estate planning vehicle controlled by Leon Black ("LB"), indirectly owns 92,727,166 Apollo Operating Group ("AOG") units
- AOG units can be exchanged, on a one-for-one basis, for Class A shares of APO
- On or before April 3, 2015, BFP may exchange 13,909,074 AOG units
- From April 4, 2015 to April 3, 2017, BFP may exchange up to an additional 6,954,537 AOG units every 12 months
- On or after April 4, 2017, BFP may freely exchange any of its remaining AOG units

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If → Underwritten offering
need to give notice 7 days before Nov 3rd
= April 20th
No notice + prohibi until Nov 3rd

65 days before lock date Nov 3rd
→ need to tell other principal
→ reasonable

Underwritten offering
- regular sale
- block
- private sale

APO Insider Trading Window and Demands for Underwritten Public Offerings¹

➤ APO Trading Window

- APO's trading windows generally open 48 hours after each earnings release and close on the 7th day of the month in which the quarter closes
 - *APO's Q4 2014 trading window will open on November 3, 2014 and close on December 5, 2014 (December 7, 2014 is a Sunday)*

➤ Demands for Underwritten Offerings

- A demand for an underwritten offering of shares must be submitted to APO at least 75 days prior to the opening of the next trading window
 - *The deadline to submit a demand for an underwritten offering to occur in Q4 2014 is August 20, 2014*

¹ All of the specific dates herein assume an exchange in Q4 2014 and are based on APO's proposed Q3 2014 earnings release date of October 30, 2014

Exchange Mechanics

➤ Exchange Notice

- A notice of exchange must be submitted to APO at least 60 days prior to the opening of the next trading window
 - *The deadline to submit a notice of exchange (whether charitable or non-charitable) for an exchange to occur in Q4 2014 is September 4, 2014*
- At least 5 days prior to delivering a notice of exchange, any APO Managing Partner must deliver notice to the other Managing Partners of his intent to deliver an exchange notice
 - *Assuming a notice of exchange is submitted by BFP on September 4, 2014, LB must deliver prior notice of his intent to the other Managing Partners by August 29, 2014*

Exchange Mechanics (cont'd)

➤ Exchange Date

- For shares that will be sold in an underwritten public offering, the exchange date will be the closing date of such offering (or the prior business day if required by APO's transfer agent)
- For shares that will be transferred other than in a public offering:
 - If a notice of exchange is submitted for ONE OF EITHER a charitable OR a non-charitable exchange, the exchange date will be the opening date of the next trading window
 - *The Q4 2014 exchange date for ONE OF EITHER a charitable OR a non-charitable exchange will be November 3, 2014*
 - If a notice of exchange is submitted for BOTH a charitable AND a non-charitable exchange, the exchange date for the non-charitable exchange will be the opening date of the next trading window, and the exchange date for the charitable exchange will be the first business day that is at least 11 calendar days following the non-charitable exchange
 - *If BOTH a charitable AND a non-charitable exchange are requested for Q4 2014, the exchange date for the non-charitable exchange will be November 3, 2014, and the exchange date for the charitable exchange will be November 14, 2014*

Exchange Mechanics (cont'd)

➤ Revocation

- Exchanges can be revoked:
 - in the case of any exchange, if the price per share on the business day prior to revocation has dropped 10% or more since the deadline for delivery of the applicable notice of exchange; and
 - in the case of an underwritten public offering, if the gross price in the offering is at least 10% lower than the price per share on the date the notice of exchange was delivered
- BUT if an exchange is revoked, the revoking AOG unitholder will be locked out of making an exchange in the next upcoming quarter
- *The deadline to revoke an exchange noticed on or before September 4, 2014, for shares that will be transferred other than in a public offering, is October 31, 2014, but only if the APO stock price has dropped at least 10% since September 4, 2014*

Closing Friday price

~ 15% '14

Resale Scenarios

➤ Sales in Underwritten Offerings

- Any underwritten offering would include features such as a greenshoe (overallotment option), underwriter discount, lock-ups and potential cutbacks
- 75-day registration notice is required as described in Slide #4
- An underwritten offering must be made at a time when APO can prepare a prospectus that includes all material information about the company

10-105 plan
gives ability to
have a good list
of stocks
- Avoid underwriter's discount
- See upside market
- Get set first

Every prospectus must be
registered in prospect
underwriting
Rule 144 -> subject to volume, reserves
of sale, market

1051 Ac ² *Ac must be strictly defined / also will contain*

"understand position"

Resale Scenarios

Resales During Open Windows

- Resales may be made during open trading windows pursuant to Rule 144 or under APO's resale shelf registration statement
- In addition to other requirements that we generally expect will be satisfied,² Rule 144 imposes a volume limitation on sales such that, during any 3-month period, any securities sold must not exceed the greater of 1% of the number of shares then outstanding and the average weekly trading volume ("AWTV") for the 4 weeks preceding the first sale — *PK*
- As of the week of May 19, 2014, 1% of the number of shares outstanding equals 1,491,026 shares and the AWTV for the preceding four weeks was 8,505,981 shares, so the Rule 144 volume limitation would permit the sale of 8,505,981 shares during the preceding 3 months
 - Sales by BFP, members of the Black family and related entities (such as a family foundation) may be aggregated for purposes of determining the amount of sales made against the volume limit; the specific circumstances of any such sales should be discussed with counsel
- If LB comes into possession of material non-public information ("MNPI") during an open trading window, he would be prevented from selling unless the MNPI were to be disclosed

More requirements need to be met, 10 days practical

² Rule 144 also requires current public information about APO (not an issue as long as APO is up-to-date on its public filings), certain manner of sale restrictions (sales must be made in ordinary "broker transactions") and notice of the proposed sale (seller must file a Form 144 with the SEC)

Subsidiaries -01% share plan

Resale Scenarios

➤ Sales Pursuant to 10b5-1 Plans

- A 10b5-1 Plan can be established during an open trading window while LB is not in possession of MNPI
- Once established, resales can continue even when the trading window is closed (whether or not LB is then in possession of MNPI)
- Resales under a 10b5-1 Plan will generally be made pursuant to Rule 144
 - 10b5-1 Plans generally do not accommodate resales off of a shelf
- A 10b5-1 Plan can be set to control the number of shares to be sold, the price for such sales and the period during which such sales should be made
- Current APO policy is that 10b5-1 Plans must have a minimum term of 6 months
- A 10b5-1 Plan can also be set to terminate in the event that APO receives a demand for an underwritten offering in which BFP can participate so that the shares under the Plan can be sold in the offering
 - Note: this election would need to be made at the time the Plan is established

Resale Scenarios

Private Resales

or later price (open market window)

- APO shares may be sold in a private resale if the private resale would qualify as a private placement if conducted directly by APO
- A private resale can occur:
 - During an open window; or
 - During a blackout period if:
 - The buyer agrees to "big boy" reps and warranties (including recognition that LB may be in possession of MNPI); or
 - Any MNPI in LB's possession is shared with the buyer pursuant to a confidentiality agreement that is satisfactory to the buyer and APO

*bring weekly
is poss
Unethical
buyers
need Big Boy
reps*

Securities Filings

- Any exchange of AOG units for shares of APO stock (but not the notice of any such exchange) will trigger a Form 4 filing for LB, which must be made within 2 business days of the applicable exchange
 - *For the Q4 2014 Exchange Date of November 3, 2014, a Form 4 filing would be required by no later than 10:00 p.m. on November 5, 2014*
- Any sale of APO stock (whether in an underwritten public offering, pursuant to Rule 144 or otherwise) will trigger a Form 4 filing for LB, which must be made within 2 business days of the applicable sale
- A bona fide gift of APO stock made following a charitable exchange will not necessitate a Form 4 filing for LB
 - However, if the transaction is not voluntarily reported on the Form 4 filing in connection with the applicable exchange, it must be reported on a Form 5 filing no later than February 14 of the following year
- If an order is placed with a broker to execute a sale of APO stock pursuant to Rule 144, a Form 144 must be mailed to the SEC on the same day