

Elysium Management LLC

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To: Barry J. Cohen, John J. Hannan, Richard Ressler, Trustees APO1 Agreement
From: Ada Clapp
Date: August 11, 2015
Re: Administrative Services Agreement with Elysium Management LLC ("Elysium")

At the May 5th Trustees Meeting, we discussed putting in place an arrangement whereby Elysium would provide administrative services to family trusts and entities and be appropriately compensated for its efforts. The proposal, as you recall, is for any trust/entity that wants Elysium's assistance (a "client") to enter into an Administrative Services Agreement ("ASA") with Elysium. Each client would pay its proportionate share of Elysium's overhead based on the value of such client's assets relative to the assets of all Elysium clients.

Following is a summary of a proposed ASA between the APO1 Agreement and Elysium (if you approve, a similar document would be prepared for the APO2 Declaration and other entities):

I. Parties to the Agreement.

The APO1 Agreement (the "Trust"), each entity wholly owned by the Trust¹ (the "Entities") (collectively, the "Principals") and Elysium are parties to the ASA.

II. General Terms.

- A. Elysium will provide administrative assistance to the Principals to facilitate administration of the Trust and Entities ("Administrative Services"). Elysium may perform services in addition to Administrative Services ("Special Projects") by mutual agreement of Elysium and the Principal.
- B. Discretionary authority over investments and distributions remains with the Trustees or the managers, as the case may be (unless otherwise delegated by separate instrument).
- C. The ASA may be terminated: (i) any time by mutual consent of Elysium and a Principal; or, (ii) by either a Principal or Elysium upon 60 days' written notice to the other party.

¹ Currently, these are LBF Holdings LLC (Leon Black, manager), LDB 2011 LLC (Barry Cohen, manager) and NY 70th Street LLC (John Hannan, manager).

D. Confidentiality provisions are included in the ASA.

III. Administrative Services to be provided.

A. Bookkeeping and Reporting.

1. Maintaining books and records of the Trust and the Entities.
2. Maintaining tax information, including cost basis.
3. Preparing financial statements.
4. Arranging for and reviewing valuations.
5. Providing information to comply with Apollo Global Management and securities law reporting.
6. Tax filings and support in connection with any audit.
7. Preparation of Trust accountings.

B. Corporate Formalities.

1. Arranging for, coordinating, and assisting at quarterly Trustee meetings, and where appropriate, providing minutes.
2. Ensuring State filings are current and franchise taxes timely paid.
3. Preparing resolutions to adopt, document and/or implement decisions by the Trustees or the managers.
4. Beneficiary/member communications.
5. Trust accountings, where appropriate.

C. Monitoring Trust/Entity Activity.

1. Timely payment of interest and principal on promissory notes or other loan obligations.
2. Confirming the validity of capital calls and ensuring they are timely met.
3. Accounting for investment revenues.
4. Developing/monitoring a budget for construction on the 70th Street townhouse and coordinating allocation of expenses.

D. Managing Cash.

1. Daily management of cash.
2. Handling authorized transfer of cash between accounts as necessary.
3. Facilitating authorized distributions.

4. Arranging for authorized payment of invoices.
- E. Interacting with Outside Professionals.
1. Coordinating services among outside professionals, as directed by the Principals.
 2. Monitoring work.
 3. Reviewing invoices.
 4. Reviewing agreements.
- F. Investments.
1. Reviewing and analyzing investment opportunities.
 2. Preparing reports with respect to investment-related matters.
 3. Reviewing and coordinating the execution of non-disclosure and subscription agreements.
 4. Development of investment guidelines.
 5. Monitoring investment performance.
- G. Tangible Property Investments.
1. Obtaining periodic valuations.
 2. Arranging for any necessary condition reports, cleaning or restoration.
 3. Arranging for transportation or storage as necessary.

IV. Elysium's Compensation.

- A. The Principals will be charged with their proportionate share of Elysium's overhead costs based on the fair market value of the Principals' collective assets relative to the fair market value of the total assets of all Elysium's ASA clients (the "base fee").
- B. Upon notice, the Principals may be charged overhead costs in excess of the base fee if Elysium's CEO deems such allocation fair and reasonable under the circumstances.
- C. Fees will be charged quarterly.
- D. In determining the base fee, Elysium will calculate the fair market value of the assets of its ASA clients as of January 1 of each calendar year and in a manner that is consistent with Elysium's reporting of each such client's assets.