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**From:** Richard Joslin <[REDACTED]>  
**Sent:** Wednesday, October 8, 2014 10:54 PM  
**To:** jeffrey E.  
**Subject:** FW: new collateral items on 2014 BAC - Narrows Pledge Agreement

Compliance officer his=rionics

From: Richard Joslin  
Sent: Wednesday, October 08, 2014 6:49 PM  
To: Richard D'Agostino; Ada Clapp; Heather Gray; Eileen Alexanderson= lawrence delson  
Subject: RE: new collateral items on 2014 BAC - Narrows Pledge Agree=ent

Leon increased the lin= slightly in April. The art inventory lists were immediately updated=to reflect the updated required collateral. (More collateral w=s required). The financial statements were also updated to reflect the higher amount of debt. It was also stated in the may mock f=re drill estate planning financials. All addressees have full access=to this information

You can see the collat=ral/security in the fine art file in the O drive Art folder here: O:\Art\A=t\ARTWORK - LISTS\Fine ArtO:\Art\Art\ARTWORK - LISTS\Fine Art – file=called HEATHER GRAY AUG 2014. Column M in the tab when you open file.

The documents Ada refe=s to are saved here O:\Art\Art\Financing - BOFA Art Loan\Docum=ntation. My bad for not naming better; they were saved in a cl=ar folder after the fact as that is when I rec'd copies.<=span>

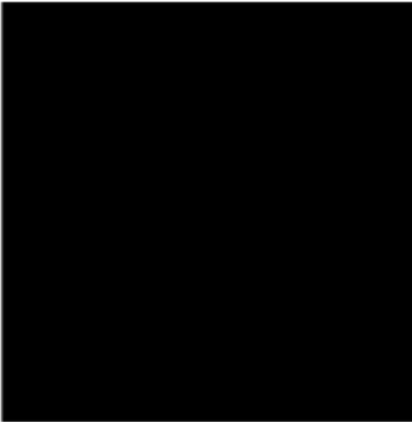
Not clear why I was om=tted from the email below but it runs contrary to improving communication,=imho.

From: Ada Clapp  
Sent: Wednesday, October 08, 2014 5:09 PM  
To: Eileen Alexanderson  
Cc: Idelson; Richard D'Agostino; Heather Gray  
Subject: RE: new collateral items on 2014 BAC - Narrows Pledge Agree=ent

Thank you. =/span>

Ada Clapp

Elysium Management LLC=o:p>



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From: Eileen Alexanderson  
Sent: Wednesday, October 08, 2014 4:56 PM  
To: Ada Clapp  
Cc: Idelson  
Subject: RE: new collateral items on 2014 BAC - Narrows Pledge Agree=ent

Every other Monday 2pm= Next week's meeting will be on Tuesday due to the Columbus Day holi=ay.

From: Ada Clapp  
Sent: Wednesday, October 08, 2014 4:30 PM  
To: Eileen Alexanderson; Lawrence Delson (ldelson@delsonintl.com <mailto:ldelson@=elsonintl.com> )  
Cc: Heather Gray; Richard D'Agostino  
Subject: RE: new collateral items on 2014 BAC - Narrows Pledge Agree=ent

Eileen and Larry,=/o:p>

Below is a typical example of how some of us spin our wheels due to a general lack of information flow in the office. I just happen to learn (because I was in the right place at the right time) that the BAC loan agreement, Pledge agreement and Note were amended in April of this year and that the four items Heather has been trying to chase down since August (noted in her emails below) were in fact added to the collateral list last April. Neither of us was even aware of the new draw-down—even though it bears on what we do (and we are asked questions about the BAC financing and collateral all the time).

I wanted to raise this issue to emphasize the extreme importance of frequent office meetings. There is simply no other way to ensure that we all are privy to essential information or transactions that affect our ability to do our jobs effectively. None of us has the time to daily scour the O drive for new documents (which in this case were entitled "Document", "Document 1", "Document 5") that might alert us to this information and folks don't seem to want to notify others when they post things. I don't just speak for myself in this regard. A few of us would really appreciate a short weekly meeting—where we each just go around the table and discuss the 5 or 6 immediate things we are working on so everyone is in the loop as to what is generally happening. We don't need to go into the timing of completion or the details of what everyone is doing at this meeting. Rather, those of us that need to know details can follow up directly with the individual working on the transaction—now that we know about it!

Can you please let me know when our next meeting is scheduled?

Thank you for your time.

Ada Clapp

Elysium Management LLC



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From: Heather Gray  
Sent: Tuesday, September 30, 2014 5:54 PM  
To: Eileen Alexanderson  
Cc: Ada Clapp  
Subject: FW: new collateral items on 2014 BAC - Narrows Pledge Agreement

Hi Eileen,

I just wanted to check in on the Bank of America collateral list questions in my email below. Did Leon or Bank of America ever confirm that the four works below were supposed to be added to the collateral list?

The Matisse (the first on the list below) is actually going to be loaned to a museum in Italy in February of 2015, so we can put it on the collateral list now, but we will need to take it off in February as the Bank will not allow collateral to travel overseas.

There are two other changes that we need the bank to make to the 2014 Amendment:

1. There is another Matisse on the collateral list (titled "Rendering of the Barnes Museum in Progress") that Leon had originally intended to loan to MoMA, but now is not going to be lending. The collateral list that the Bank provided needs to be updated to show the location of that work as Bedford instead of MoMA.

2. The 2014 Amendment is dated August 1st, but I think it should be updated to today's date as we are just now sending works on loan and getting the Bailment Agreements signed, so the locations listed in the collateral list were not accurate as of August 1st

I have the Bailment Agreements ready for Leon's signature and would like to have him sign the Amendment with the updated collateral list as well, so if you can talk to the bank and have them update the Amendment and collateral list, I can have him sign it now, too.

Please let me know if you have any questions.

Thanks,

Heather

From: Heather Gray  
Sent: Tuesday, August 19, 2014 1:59 PM  
To: Eileen Alexanderson (ealexanderson@elysllc.com <mailto:ealexanderson@elysllc.com> )  
Cc: Ada Clapp (AClapp@elysllc.com <mailto:AClapp@elysllc.com> )  
Subject: new collateral items on 2014 BAC - Narrows Pledge Agreement

Eileen,

As we mentioned in the meeting this morning, there are four works of art listed as collateral on the 2014 Amendment to Amended and Restated Pledge Agreement between Narrows Holdings LLC and Bank of America that were not listed as collateral on the 2013 amendment to the pledge agreement (or on the 2012 amendment). The works are not new acquisitions, so I am not sure why they were not on last year's collateral list but are on the collateral list we just received from the bank.

The four works are:

1. Henri Matisse  
Marocaine en jaune, 1912

Oil on canvas  
32 x 25 in.  
Location: New York, New York

Value per 2013 Sotheby's appraisal: \$20 million

2. Pablo Picasso  
Buste de femme, 1907

Oil on canvas  
28 ¾ x 23 ¾ in.  
Location: New York, New York  
Value per 2013 Sotheby's appraisal: \$18 million

3. Edouard Manet  
Portrait de Berthe Morisot, 1874  
Oil on canvas  
24 x 19 5/8 in.  
Location: New York, New York  
Value per 2013 Sotheby's appraisal: \$15 million

4. Giorgio de Chirico  
The Surprise, 1913  
Oil on canvas  
51 1/4 x 16 3/4 in.  
Location: New York, New York  
Value per 2013 Sotheby's appraisal: \$8 million

Please let me know if you have any questions, or if there is anything else you would like me to do at this time.

Best,

Heather

Heather Gray

Elysium Management LLC

445 Park Avenue

Suite 1401

New York, New York 10022

Direct Dial: 646-589-0315

Fax: 646-589-0330

Email: hg=ay@elysllc.com <mailto:hgray@elysllc.com>