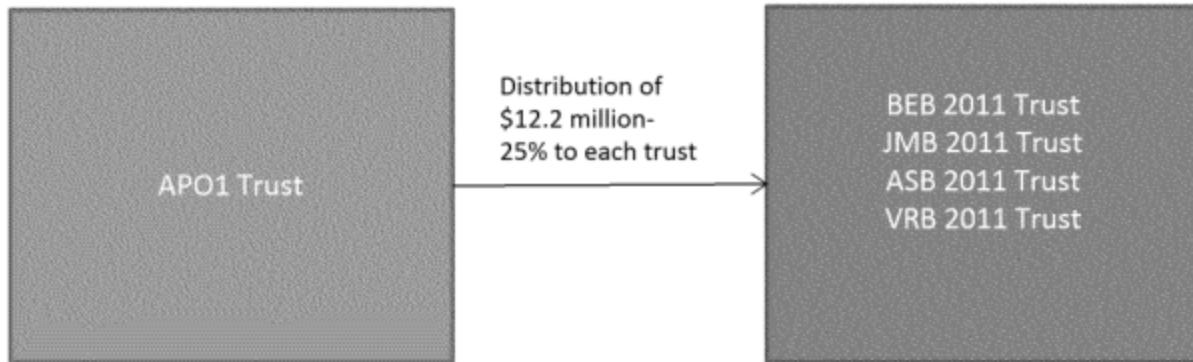


SPLIT-DOLLAR PROPOSAL
of
McDermott Will & Emery LLP
November 18, 2013

Step One: Distribution of BFP Interests (or a cash Loan) to 2011 Trusts

The APO1 Trust distributes (decants) sufficient assets to each of the BEB 2011 Trust, the JMB 2011 Trust, the ASB 2011 Trust and the VRB 2011 Trust (the “2011 Trusts”) under the Black 2011 Family Trust Agreement to enable it to purchase 25% of the stock of AIF IV Management Inc. (“AIF IV”) from Leon.

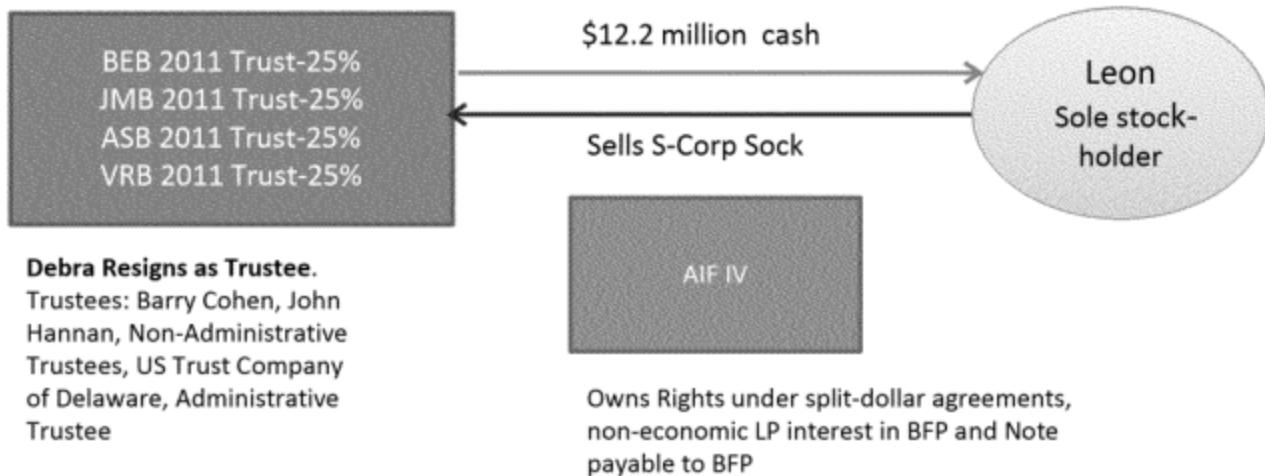


Trustees: Barry Cohen, John Hannan, Richard Ressler, and after Leon's death, Debra Black.

Trustees: Debra Black, Barry Cohen, John Hannan, Non-Administrative Trustees; US Trust Company of Delaware, Administrative Trustee

Step Two: Leon Sells AIF IV Management Inc. to 2011 Trusts

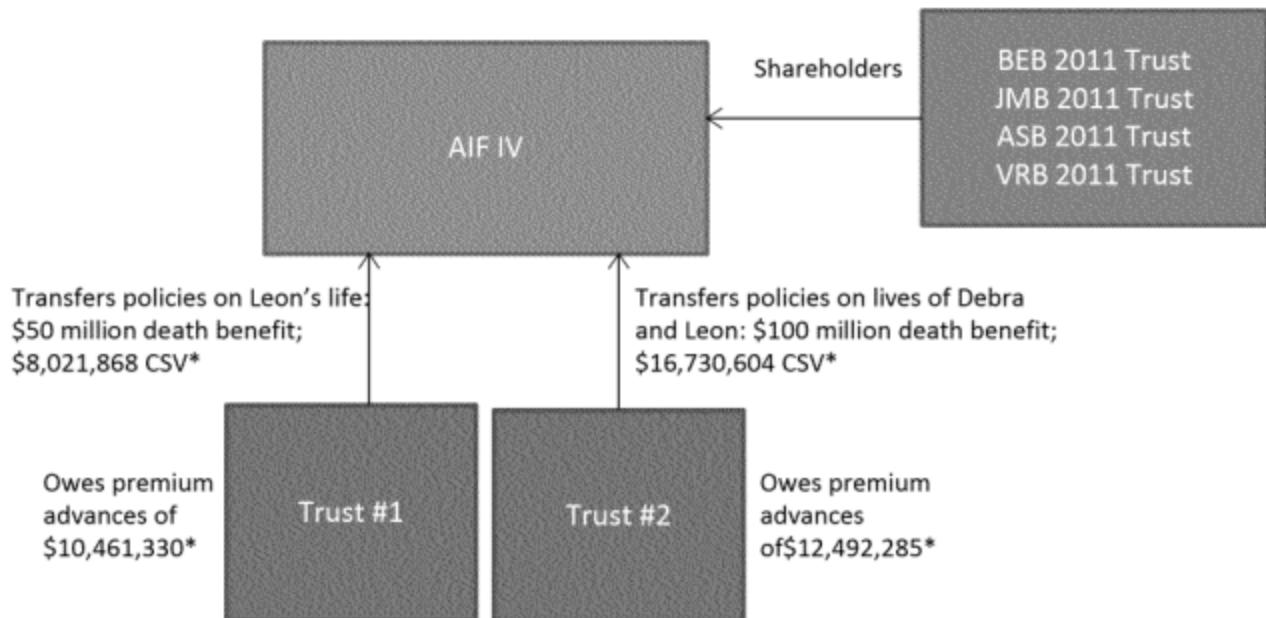
For tax reasons, Debra resigns as Trustee from the 2011 Trusts. Each of the the 2011 Trusts purchases from Leon 25% of the stock of AIF IV, valued using CSV of the policies (\$24,752,474*) less the Note payable (\$7,347,076 plus interest) to Black Family Partners, L.P. ("BFP") and applying a fractional interest discount (*e.g.* 30%). No value is attributed to AIF IV's limited partner interest in BFP.



*As of September 30, 2013

Step Three: Termination of Split-Dollar Agreements

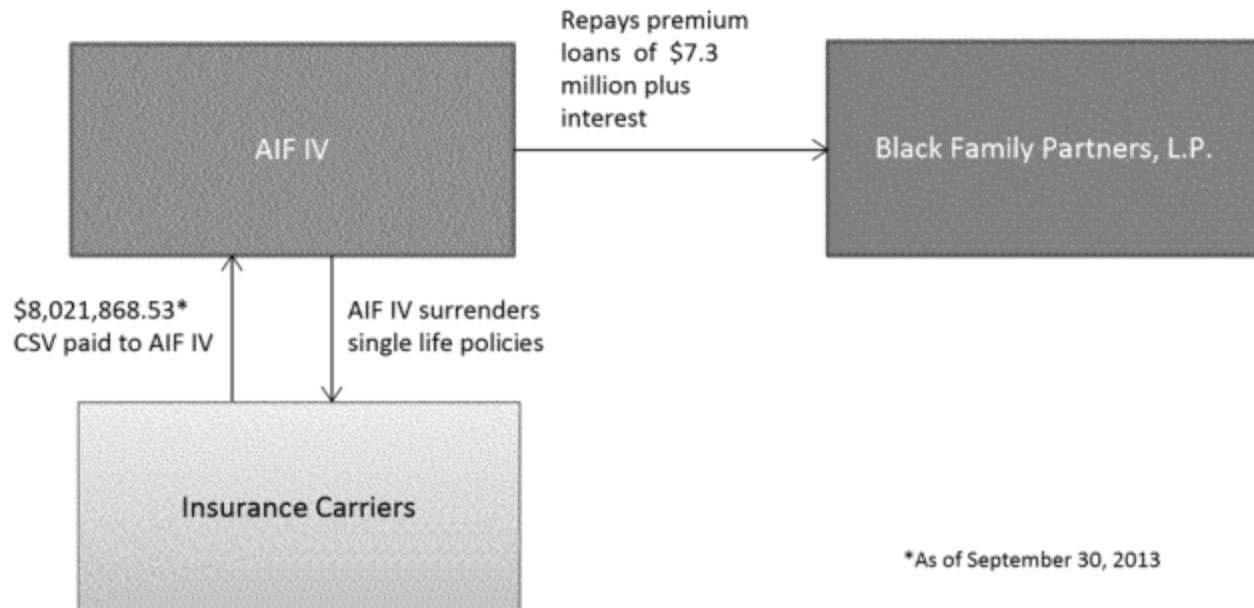
Because AIF IV's business operations ceased in 2007, the split-dollar agreements between it and the Leon D. Black 1999 Life Insurance Trust #1 ("Trust #1") and Trust #2 ("Trust #2") terminated at that time. AIF IV continued to honor the agreements but had the right at any time to take ownership of the policies from Trust #1 and Trust #2. AIF IV now exercises that right.



*As of September 30, 2013

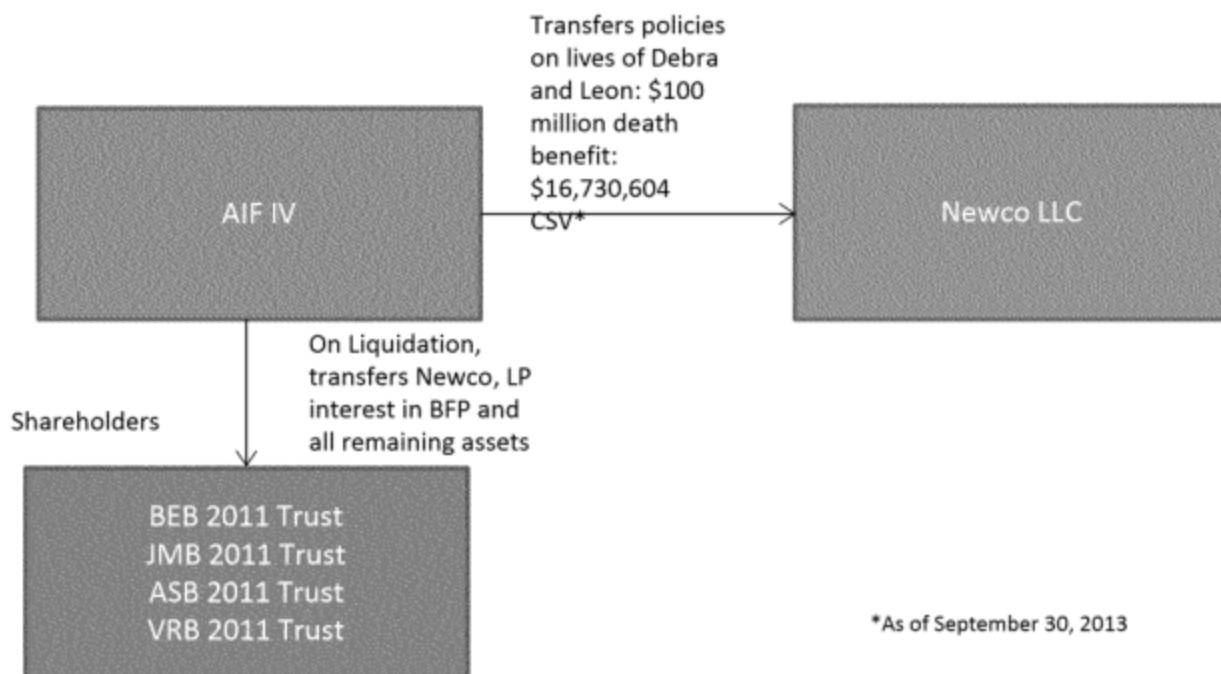
Step Four: AIF IV Surrenders Single Life Policies.

AIF IV surrenders the single life policies received from Trust #1 and receives the cash surrender value. AIF IV uses the funds to repay BFP for premium loans.



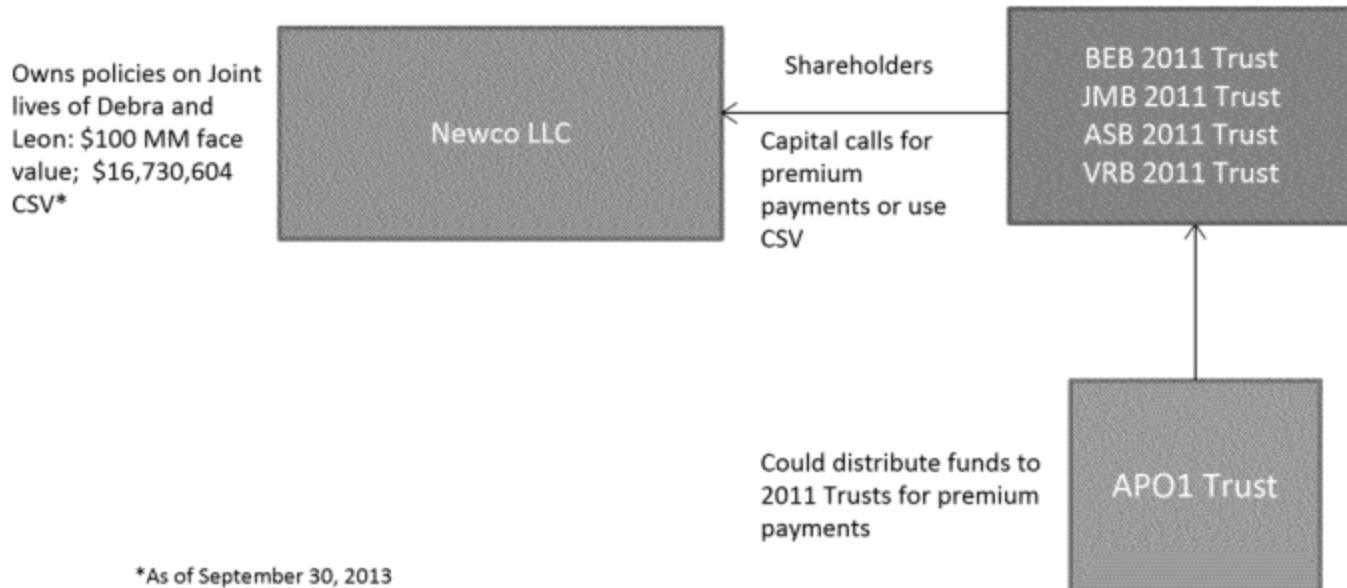
Step Five: AIF IV Creates New LLC for Two Life Policies.

AIF IV creates a single member LLC ("Newco") and funds it with the second-to-die insurance policies it received from Trust #2. Thereafter, AIF IV liquidates and transfers all assets, including the interests in Newco, to its shareholders.



Step Five: Retain or Surrender Second-to-die Insurance Policies

AIF IV will consider whether to retain or surrender any or all of the five insurance policies on the joint lives of Leon and Debra it received from Trust #2.



*As of September 30, 2013