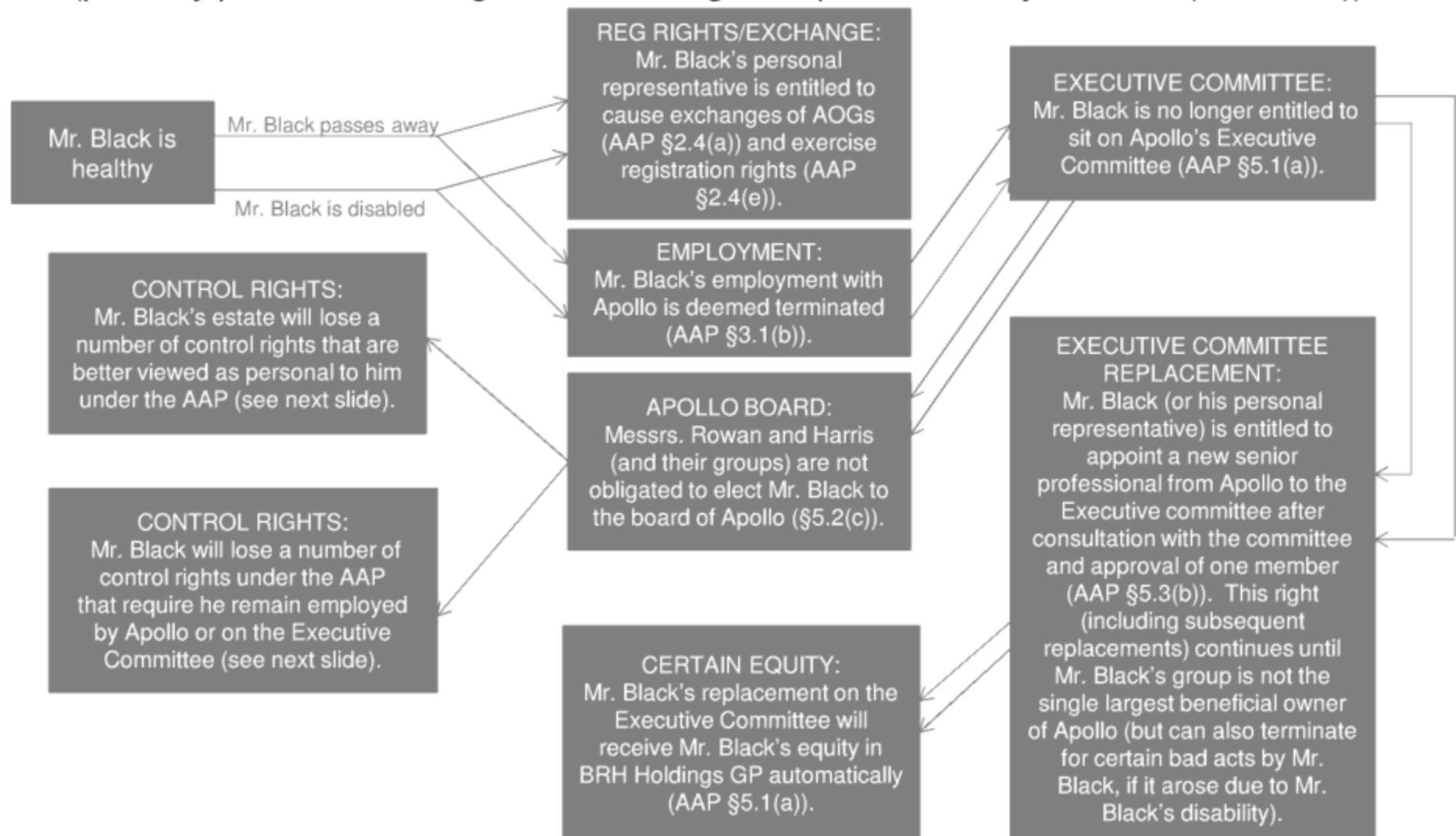


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Death/Disability Analysis Summary Slides March 2016

Summary Flow Chart Regarding Certain Consequences of Mr. Black's Death or Disability (primarily pursuant to the Agreement Among Principals dated July 13, 2007 (the "AAP"))



¹ All matters described in these slides are qualified in their entirety by the underlying documents. Please see the back-up chart for additional detail and a list of documents reviewed.

Effects of Death or Disability on Certain Control Rights under the Agreement Among Principals²

	Mr. Black is Disabled	Mr. Black is Deceased
Key Rights Lost	<ol style="list-style-type: none"> 1. MFN with Messrs. Harris and Rowan on investment terms for new Apollo funds (§2.1(e)). 2. Rights to disregard transfer limits and require exchanges to pay taxes, in the event of the receipt of additional economics forfeited by other Apollo investment professionals besides Principals (§4.2(b)). 3. Right to be one of the two required Principal votes needed to approve most Executive Committee actions (§5.2(a)). 4. Veto over decisions regarding employment of senior investment professionals or consultants (§5.2(b)(i)) (though Mr. Black's replacement appointee to the Executive Committee would retain this right). 5. Veto over board appointments (§5.2(c)). 	<ol style="list-style-type: none"> 1. Items 1 through 5 under the "Mr. Black is Disabled" column. 2. Assuming the threshold in §5.2(b)(iii) is intended to apply to §5.2(b)(ii), the right to veto any delegation of authority of the Executive Committee (§5.2(b)(ii)). 3. Veto over the dissolution of BRH Holdings or other acts that would result in a non pro-rata treatment of a Principal (Messrs. Black, Rowan or Harris) (§5.2(b)(iii)). 4. Veto over, or (with the approval of the independent members of the Board) right to cause a sale of all or substantially all of Apollo, or a transfer of a ratable interest in each entity that is part of an AOG (§5.4). 5. Inspection/information rights for matters related to Mr. Black's interest in BRH Holdings, L.P. (§5.7).
Key Rights Retained	<ol style="list-style-type: none"> 1. Right to approve the dissolution of BRH Holdings, L.P. or any actions or transactions that result or could result in non-pro rata treatment or effect upon a Principal (§5.2(b)). 2. Veto over, or (with the approval of the independent members of the Board) right to cause a sale of all or substantially all or Apollo, or a transfer of a ratable interest in each entity that is part of an AOG (§5.4). 3. Right to cause exchanges of AOGs (AAP §2.4(a)) and exercise registration rights (AAP §2.4(e)). 	<ol style="list-style-type: none"> 1. Cause exchanges of AOGs (AAP §2.4(a)) and exercise registration rights (AAP §2.4(e)).

² Please see note on interpretive issues in back-up chart. This summary chart represents Akin's view of the better reading of these provisions.

Certain Other Key Provisions Related to or Consequences of Mr. Black's Death or Disability

Document	Section	Provision
Agreement Among Principals (please see note on Interpretive issues in back-up chart) ²	Definitions	"Disability" requires a <u>board determination</u> that Mr. Black is unable to perform <u>"all or substantially all"</u> of his <u>duties</u> under his employment agreement for 180 consecutive days or 8 in 12 months.
	5.2(b)	After the death of a Principal (including Mr. Black) Apollo may not be able to take actions requiring consent of all Principals - clause (iii), the dissolution of BRH Holdings L.P. or any actions that could result in non-pro rata treatment of a Principal, and likely clause (ii), delegation by the executive committee. After the death of two principals, the Executive Committee may not be able to act.
	5.5	The Executive Committee may appoint a temporary replacement for Mr. Black to handle his duties to Apollo pending a determination of his Disability, but he isn't removed until a determination.
	5.6	Mr. Black's group remains subject to drag and tag rights in certain other documents.
Apollo Global Management Shareholders Agreement		Amendments require approval of Principals (or their legal representative, if applicable).
	6.10	Demand rights owed to BRH are exercisable by the Principals through BRH, but see AAP §2.4(e).
	5.9(d)	Despite his death or disability, Mr. Black's group (spouse, descendants, controlled charities, trusts, legal or personal representatives) remains subject to drag and tag obligations in the Lender Rights Agreement and Roll-up Agreements.
	2.2(f)	Indemnity for fund incentive compensation claw back is owed to Mr. Black's group.
BRH Holdings GP Memorandum and Articles	7.1	Amendments require approval of Principals (no reference to representatives here, but there is a slightly better argument to include Mr. Black's estate as successor, by the interpretive provisions).
	8.8(a)	
Black Family Partners - LPA	9.3	Upon his death or disability, Mr. Black's economic rights will devolve to his legal representative.
Black Family GP – LLCA	N/A	Mr. Black is sole member and manager. The agreement is silent on consequences of his death or disability , but §18-705 of the Delaware Limited Liability Company Act permits a member's personal representative to exercise the member's rights under an LLC agreement. Here, the representative could exercise Mr. Black's rights as member to amend the operating agreement to appoint a new manager.

² Please see note on interpretive issues in back-up chart. This summary chart represents Akin's view of the better reading of these provisions

LB Death/Disability Analysis – Summary of Analysis by Document¹

I. Agreement Among Principals (the “AAP”), dated as of July 13, 2007	
Parties	Messrs. Black, Rowan and Harris; Black Family Partners, L.P., MJR Foundation LLC, AP Professional Holdings, L.P. and BRH Holdings, L.P.
Key Definitions	<p>“LB” – Mr. Black.</p> <p>“Principals” – Messrs. Black, Rowan and Harris.</p> <p>“Disability” – a physical or mental incapacity such that there is an Apollo board determination that a Principal is unable to perform all or substantially all of his duties under the applicable employment agreement, for 180 consecutive days or 8 in any 12 months. Please note certain additional definitions under the heading “Certain Other Definitions”</p>
Employment	Upon his death or Disability, Mr. Black is deemed terminated from the Apollo Employer (§3.1(b)).
Executive Committee	If deemed terminated for death or disability, Mr. Black is no longer has a right to serve on the Executive Committee because he is deemed no longer employed by Apollo (§5.1(a)).
Executive Committee - Short Term Substitute	The Executive Committee may appoint a temporary replacement for Mr. Black to handle his duties to Apollo pending a determination of his Disability in certain circumstances, but Mr. Black will remain on the Executive Committee unless and until a final determination is made or he is otherwise prohibited from participating (e.g., he undertakes an action constituting Cause or dies, while a disability determination is pending) (§5.5).
Executive Committee - Long-Term Replacements	If deemed terminated for death or Disability, Mr. Black (or his personal representative, as applicable) is entitled to nominate a Senior Professional to replace Mr. Black on the Executive Committee, after consultation with the committee and with the consent of one member (§5.3(b)). That replacement right will continue for all section §5.3(b) appointees (i.e., in perpetuity) until such time as Mr. Black’s group is not the largest beneficial owner of Apollo series A shares, or if the appointment right arose due to Mr. Black’s disability, if he subsequently takes actions that would have permitted him to be terminated for Cause if he were still employed at the time he took the actions (§5.3(b)).
Apollo Board	Following deemed termination from Apollo for death or Disability, Messrs. Rowan and Harris (and their groups) are not obligated to elect Mr. Black to the Board of Apollo because he is no longer eligible to participate in the Executive Committee. (§5.2(c))
Exchanges and Registration Rights	After his death or Disability, Mr. Black’s personal representative would still be entitled to cause Exchanges (§2.4(a)) and exercise Registration Rights (§2.4(e)). If cut-backs are applied after Mr. Black’s death, Mr. Black’s estate will be allocated 3 times the normal portion allocated to it from BRH Holdings (presumably to the detriment of Messrs. Rowan and Harris and their respective groups) (§2.4(e)).
Future Fund Investments	After his death or Disability, Mr. Black would lose his MFN with Messrs. Harris and Rowan on investment terms for new Apollo funds (§2.1(e)). This right only accrues to “Continuing Principals.”
Exchanges to Pay Taxes	After his death or Disability, in the event an Apollo professional other than a Principal forfeits AOG Units or other economic interests, and they are distributed to Principals and

¹ The document summaries contained herein are intended to address the most significant issues raised by Mr. Black’s death or disability, and are qualified in their entirety by the underlying documents. This summary may not address all provisions relevant to a particular question that arises after Mr. Black’s death or disability.

	their groups, Mr. Black would no longer have a right to disregard transfer limitations when causing registrations and exchanges to pay taxes. (§4.2(b)). This right only accrues to “Continuing Principals.”
Effects on Certain Control Rights²	<p>Following removal from the Executive Committee due to death or Disability, Mr. Black would no longer have the rights:</p> <ul style="list-style-type: none"> ○ to be one of the two required Principal votes needed to approve most Executive Committee actions (§5.2(a)); ○ to veto decisions regarding employment of senior investment professionals or consultants, which requires unanimous Executive Committee approval ((§5.2(b)(i)); ○ to veto board appointments, which falls away if Mr. Black is no longer on the Executive Committee (§5.2(c)). <p>Following his death, neither Mr. Black or his personal representative will be able to exercise certain other rights as a Principal (but please see Key Interpretive Issue below):</p> <ul style="list-style-type: none"> ○ to veto the dissolution of BRH Holdings or other acts that would result in a non pro-rata treatment of a Principal ((§5.2(b)(iii); ○ assuming the threshold in (iii) is intended to apply to (ii), to veto any delegation of authority of the Executive Committee (5.2(b)(ii).
Extraordinary Transactions²	Mr. Black’s rights with respect to certain extraordinary transactions would likely remain in place despite a Disability, but fall away on death. While he is alive, Mr. Black is entitled to veto (or with consent of a majority of the independent members of Apollo’s board, cause) a sale of all or substantially all of Apollo or a transfer of a ratable interests in the AOGs. (§5.4)
BRH Holdings GP Equity	When Mr. Black is no longer entitled to a seat on the Executive Committee (so upon Mr. Black’s death or disability), his equity in BRH Holdings GP will automatically transfer to his successor on the Executive Committee (§5.1(a)).
Certain Limitations on Mr. Black’s Group	Mr. Black’s Group will remain subject to a variety of covenants after his death, including limitations regarding ownership of Apollo series A shares subject to the exchange agreement (§2.4(c)), drag-along and tag-along rights in other documents (§5.6(a)) and arguably disparagement and competition limitations in Mr. Black’s employment agreement and the roll-up agreements. Although the Group concept is already so broad that it likely creates some compliance challenges (e.g., how can Mr. Black prevent his children’s spouses from disparaging), his death could further complicate exercising control over his Group members.
Information Rights	Following Mr. Black’s death, he will not be entitled to inspection rights with respect to matters related to his interest in BRH Holdings, L.P. (§5.7).
Amendments	Amendments require approval of Principals (or their legal representative, if applicable) (§6.10(a)).
Successors and Assigns	Assignment requires consent of the other parties to the AAP, and rights inure to the benefit of successors and permitted assigns (§6.11). Delaware counsel has advised there is very limited case law on the application of successor provisions to shareholder agreements and similar documents in the event of death of an individual (except as it relates to solely economic rights), but certain rights are typically viewed as personal (for example, a right of first refusal).
Certain Other Definitions	<p>“Apollo” – Apollo Global Management, LLC.</p> <p>“Apollo Employer” – Apollo Global Management, LLC or any successor.</p> <p>“Cause” – (i) a final, non-appealable conviction of or plea of nolo contendere to a felony</p>

² Please see the interpretive issues described at the end of this summary chart. The summary in this row describes Akin’s view of the better reading of these provisions.

	<p>prohibiting such Principal from continuing to provide services as an investment professional to Apollo due to legal restriction or physical confinement; or (ii) ceasing to be eligible to continue performing services as an investment professional on behalf of Apollo or any of its material subsidiaries, in each case, pursuant to a final, non-appealable legal restriction (such as a final, non-appealable injunction, but expressly excluding a preliminary injunction or other provisional restriction).</p> <p>“Continuing Principals” – Principals employed by the Apollo Employer as of a forfeiture date.</p> <p>“Group” – with respect to each Principal, such Principal and (i) such Principal's spouse, (ii) a lineal descendant of such Principal's parents, the spouse of any such descendant or a lineal descendent of any such spouse, (iii) a Charitable Institution solely controlled by such Principal and other members of his Group, (iv) a trustee of a trust (whether inter vivos or testamentary), all of the current beneficiaries and presumptive remaindermen of which are one or more of such Principal and Persons described in clauses (i) through (iii) of this definition, (v) a corporation, limited liability company or partnership, of which all of the outstanding shares of capital stock or interests therein are owned by one or more of such Principal and Persons described in clauses (i) through (iv) of this definition, (vi) an individual mandated under a qualified domestic relations order, or (vii) a legal or personal representative of such Principal in the event of his death or Disability. For purposes of this definition, (x) "lineal descendants" shall not include individuals adopted after attaining the age of eighteen (18) years and such adopted Person's descendants; and (y) "presumptive remaindermen" shall refer to those Persons entitled to a share of a trust's assets if it were then to terminate. No Principal shall ever be a member of the Group of another Principal.</p> <p>“Senior Professional” – any executive officer of Apollo or any of the investment Professionals (who is not a Principal) who provide services (either as partners or employees) to Apollo or any of its Subsidiaries whose "total income" for the most recent preceding fiscal year is among the 25 highest (excluding the Principals from the 25 employees); provided, that any such individual must provide services to Apollo or any of its Subsidiaries on a substantially full-time basis.</p>
<p>Key Interpretive Issue</p>	<ul style="list-style-type: none"> • The key interpretive issue that runs through the AAP is whether control rights (described above in the rows titled “Effects on Certain Control Rights” and “Extraordinary Transactions”) are (a) personal to Mr. Black (or for the Principals) and fall away when Mr. Black (or the other Principals) die, or (b) are exercisable by an estate (or legal representative) and/or transferrable by the estate. This should be considered in connection with the Successors and Assigns provision described above. Because there are a few instances where the AAP expressly contemplates succession, or exercise by personal representatives, and a defined term for surviving Principals (“Continuing Principals”), we believe the better reading is that rights stated as personal do fall away. However, the effect of the successor clause and the effect of these terms is open to interpretation and may ultimately be determined on a clause by clause basis. Often, agreements address this more expressly to eliminate ambiguity, as was done in the AAP with respect to the right to cause exchanges and registration and Mr. Black’s (or his estate’s) rights to appoint his replacement to the Executive Committee. • What we believe to be the “better reading” may create some problematic results or other ambiguities for certain provisions in the document, that could undermine this interpretation: <ul style="list-style-type: none"> ○ Certain matters requiring unanimous approval of the Principals in §5.2(b) if read literally arguably cannot be taken following Mr. Black’s (or any single Principal’s) death. Alternative readings of these provisions include requiring only the approval of

	<p>Continuing Principals, assuming Mr. Black's estate's appointee (or other successor Executive Committee members) would take on the role of "Principal" for the purpose of satisfying this requirement or interpreting this as instead requiring unanimous approval of the members of the Executive Committee.</p> <ul style="list-style-type: none"> ○ The general requirement in §5.2(a) that Executive Committee action requires the approval of two Principals if read literally limits the powers of Mr. Black's estate's appointee (that is, Messrs. Rowan and Harris must still agree) to the Executive Committee, and if two Principals are deceased, paralyzes the committee (and so potentially Apollo, unless the Executive Committee provided sufficient delegation to Apollo's board prior to the time there was only one surviving Principal). Two alternative readings that could address these concerns are interpreting this language as instead stating a more general rule on Executive Committee action (<i>i.e.</i>, that acts require the approval of two members of the Executive Committee, or treating replacement Executive Committee members as taking on the role of "Principal" for the purpose of satisfying this requirement). ○ Courts generally disfavor dead hand provisions, so it is also possible that provisions requiring unanimous consent of the Principals will be read as requiring only Principals that remain alive to consent. A party arguing against this interpretation may point out that there is a separate defined term in the AAP for Principles that are alive, not disabled and still working at Apollo, "Continuing Principles." Mr. Black's right to remain on the Executive Committee after his retirement would complicate that argument.
Other Interpretive Issues	<ul style="list-style-type: none"> • §5.2(b)(ii), regarding delegation of authority of the Executive Committee, does not have an approval threshold, while §5.2(b)(i) and §5.2(b)(iii) do. Assuming this provision is not disregarded completely, something will have to be read in. <ul style="list-style-type: none"> ○ Although no single reading is clearly correct, the most likely intent of the parties was to impute the threshold in §5.2(b)(iii), "unanimous consent of the Principals," to §5.2(b)(ii). ○ Another potential interpretation would be to read the threshold in §5.2(b)(iii) as applying to §5.2(b)(i) and §5.2(b)(ii) as well, causing the actions in §5.2(b)(i) (decisions regarding employment of senior investment professionals or consultants) to require both unanimous consent of the Principals and unanimous consent of the Executive Committee. • §5.5 states that the definition of "Disability" is used solely in connection with vesting of equity. However, Mr. Black has certain other rights on Disability, described above. • The AAP uses the term "personal representative" in most instances, but uses "legal representative" in reference to amendments, and both terms in the definition of "Group." <ul style="list-style-type: none"> ○ It is not clear if these terms are intended to be substitutes. They are not defined. ○ The AAP also does not address how those titles should pass if any such representative dies or becomes disabled, relinquishes their role or has their authorization revoked. ○ We should confirm Mr. Black's estate planning documents appropriately address these roles directly, to maximize the likelihood his wishes are respected and the associated rights under the AAP are maintained.

II. Apollo Global Management LLC – Amended and Restated LLC Agreement – Nothing relevant.

III. Apollo Global Management LLC – Shareholders Agreement, as Amended

Key Definitions	<p>“Restricted Party” – any Principal and members of such Principal’s Group.</p> <p>“Principals” – Messrs. Black, Rowan and Harris.</p> <p>“Group” – with respect to any Person, such Person’s and (i) such Person’s spouse, (ii) a lineal descendant of such Person’s parents, the spouse of any such descendant or a lineal descendent of any such spouse, (iii) a Charitable Institution controlled solely by such Person or other member of his Group, (iv) a trustee of a trust (whether inter vivos or testamentary), all of the current beneficiaries and presumptive remaindermen of which are one or more of such Persons described in clauses (i) through (iii) of this definition, (v) a corporation, limited liability company or partnership, of which all of the outstanding shares of capital stock or interests therein are owned by one or more of such Persons described in clauses (i) through (iv) of this definition, (vi) an individual mandated under a qualified domestic relations order, or (vii) a legal or personal representative of such Person in the event of his death or Disability. For purposes of this definition, (x) “lineal descendants” shall not include individuals adopted after attaining the age of eighteen (18) years and such adopted Person’s</p>
Transfer Restrictions	Transfer restrictions (by percentage in (§2.2(a)) and for drag-along and tag-along rights in other documents (§2.2(f)) apply to Mr. Black’s Group, and would continue to apply after his death or Disability.
Registration Rights	The agreement expressly contemplates that Principals can exercise registration rights through BRH Holdings, L.P. (§5.9(f)). See AAP §2.4 regarding exercise after Mr. Black’s death or disability.
Indemnity for Clawbacks	Even after Mr. Black’s death or disability, his group is still entitled to indemnification for guaranties of obligations to repay incentive compensation to investment funds (§7.1).
Amendments	Amendments require the consent of the Principals (§8.8). After Mr. Black’s death, this would have to include his estate as successor, or his assignee, or the agreement cannot be amended. However, the interpretive provisions in §1.2 note that a reference to a person includes successors and assigns.

IV. **AGM Management LLC** – Amended and Restated Operating Agreement – Nothing relevant, except that Mr. Black was the initial President and would have to be replaced upon his death.

V. **BRH Holdings, L.P.** – Amended and Restated Partnership Agreement – Nothing relevant, except that amendments will require a majority consent of Mr. Black’s Group (defined the same way as in the Shareholders Agreement) (§8.1). This would remain after Mr. Black’s death.

VI. **BRH Holdings GP, Ltd.** – Articles of Association

General Framework	The agreement generally requires directors and members act consistently with the AAP. In addition, most sections of the articles are expressly “subject to the provisions of the AAP.”
Executive Committee	If a member or director ceases to be a member of the Executive Committee, their shares transfer automatically to their successor on the Executive Committee, once identified (BL4).
Directors	The company’s business is managed by directors, subject to the AAP (BL54). The directors are removed and appointed based on the AAP, assuming the company’s board is the Executive Committee (BL48). So upon Mr. Black’s death, his replacement on the Executive Committee would join the board.
Transfers on Death	There is some discussion of transfer of equity upon death (BL17), but it is superseded by the AAP (§5.1(a)), which requires the automatic transfer of BRH Holdings GP equity to an

	former Executive Committee member's successor on the committee.
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VII.	AP Professional Holdings L.P. – 2 nd Amended and Restated Partnership Agreement – Nothing relevant.
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VIII.	Black Family Partners, L.P. – Agreement of Limited Partnership, as amended – Nothing relevant except that upon Mr. Black's death or disability, his rights to economics will pass to his legal representative, but that representative won't become a partner without GP consent (§9.3).
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IX.	Black Family Partners GP, LLC – Operating Agreement – Nothing material, except that Mr. Black is sole member and manager. The agreement is silent regarding effect of death or disability, but § 18-705 of the Delaware LLC Act permits a member's personal representative to exercise the member's rights under a limited liability company agreement, for purposes of settling the estate. This would permit the personal representative to exercise Mr. Black's right to amend the operating agreement to appoint a new manager.
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LB Death/Disability Analysis – Summary of Analysis by Document

I. Tax Receivable Agreement (the “TRA”), dated July 13, 2007	
Parties to Agreement	APO Corp., Apollo Principal Holdings II, L.P., Apollo Principal Holdings IV, L.P. and Apollo Management Holdings, L.P.
Key Definitions	<p>“Basis Adjustment” -- means, as a result of an Exchange and the payments made, the adjustment to the tax basis of an asset under... Sections 743(b) and 754 of the Code (in situations where, following an Exchange, a Partnership remains in existence as an entity for tax purposes).... <i>The amount of any Basis Adjustment resulting from an Exchange of one or more Partnership Units shall be determined without regard to any Pre-Exchange Transfer of such Partnership Units, and as if any such Pre-Exchange Transfer had not occurred. (Emphasis Added)</i></p> <p>“Pre-Exchange Transfer” -- means any transfer (including upon the death of a Holder) an interest in any of the Partnerships (i) that occurs prior to an exchange made pursuant to the Exchange Agreement, and (ii) to which Section 743(b) of the Code applies.</p> <p>“Partnerships” – means Black Family Partners, L.P., BRH Holdings, L.P. and AP Professional Holdings, L.P.</p>
Post-Death Transfer	A subsequent exchange by Mr. Black’s heirs of the AOG units received at Mr. Black’s death are treated as if Mr. Black owned the AOG units and the Pre-Exchange Transfer is disregarded for purposes of determining the tax benefit under the TRA. (See italicized portion of definition of “Basis Adjustment”).
Successors Rights	All the terms and conditions of the TRA shall be binding upon, shall inure to the benefit of and shall be enforceable by Mr. Black’s successors, assigns, heirs, executors, administrators and legal representatives. (TRA Section 7.6(d))
II. Transfers at Death	
Basis Step-up	Upon the death of Mr. Black, Mr. Black’s heirs will receive property, including the interests in the Black Family Partners, with an adjusted basis equal such property’s fair market value pursuant to Section 1014 of the Code, which will include the value of BRH Holdings and AP Professional Holdings.
Section 754 Election	Upon receiving such property, the Partnerships will be entitled to make an election under Section 754 of the Code, which provides that an adjustment to the basis of a partnership’s property (i.e., the “inside basis”) is available upon the death of a partner. Upon making such election, Mr. Black’s heirs would receive a basis step-up in the Black Family Partners assets, including the basis in the assets of both AP Professional Holdings and AMH Holdings. The basis step-up in the assets of AMH Holdings, resulting from the Section 754 election, would produce a tax benefit for Mr. Black’s Heirs based upon the amortization of the AMH Holdings assets.

	Please note that the Section 754 election must be made at each partnership down-the-chain (e.g., Black Family Partners, L.P., BRH Holdings, L.P. and AP Professional Holdings, L.P.) for Mr. Black's heirs to receive a basis step-up in the assets of AMH Holdings, L.P. In the BRH Holding's LPA, a partner can require the partnership to make a Section 754 election upon a transfer of an interest, but in the AP Professional Holdings LPA, the partnership will make a 754 election <i>if directed by the general partner</i> .
III. Tufts Gain	
Tax Treatment	The transfer of the interests in the Partnerships that occurs at the time of Mr. Black's death could result, pursuant to Section 752 of the Code and the applicable Regulations, in (i) a deemed distribution of Mr. Black's share of the non-recourse liabilities of AMH Holdings and (ii) the recognition of gain (what we have referred to as "Tufts gain") to the extent such deemed distribution exceeds Mr. Black's adjusted tax basis in AMH Holdings. However, while not free from doubt, such deemed distribution should not be triggered at death, and neither Mr. Black nor the estate should be required to recognize the Tufts gain on the transfer of the Partnerships to his heir. Furthermore, a tax basis step-up in the AMH Holdings (and the other intervening Partnerships), which would occur through the series of Section 754 elections described above, should include the amount of the non-recourse liabilities of AMH Holdings, such that the amount of any potential Tufts gain that would be recognized on a subsequent transfer or exchange by the heirs would be eliminated or significantly reduced.
IV. Exchange Agreement, dated 03/04/2016	
Successors	The Exchange Agreement shall be binding upon and inure to the benefit of Mr. Black's successors, executors, administrators, heirs, legal representatives and assigns. (See Exchange Agreement Section 3.4).