

recommend to the Compensation Committee which Executives shall be included in such Desk, the allocation of Desk Points for each member of that Desk and the allocation of the Desk Bonus Pool for that desk, and based on those recommendations, the Compensation Committee shall recommend to the Managing Member which Executives shall be included in each Desk, the allocation of Desk Points for each member of that Desk and the allocation of the Desk Bonus Pools. All issues concerning the allocation of General Points, Desk Points and the Desk Bonus Pools shall be addressed to the Compensation Committee (except for the Desk Percentages, which are addressed by the Management Committee). The Compensation Committee also shall make recommendations to Feinberg concerning (1) the admission of a new Non-Managing Member and the allocations to such Non-Managing Member of General Points, Desk Points, amounts from the Desk Bonus Pools or other amounts, prior to such Non-Managing Member being admitted to the Company, (2) the compensation payable to any new senior executive of CCM or Cerberus Operations & Advisory Company LLC that is not payable under this Agreement to the extent such compensation to such senior executive is to be paid by the Firm and included in Overhead Expenses and is expected to exceed \$2 million in any fiscal year and (3) the determination of the Incentive Allocation Rate. On or before March 15 of each year, General Points and Desk Points shall be allocated among the Non-Managing Members for that year and shall not be reduced during that year except in the case of death, Permanent Disability, Retirement, termination with or without Cause or dilution resulting from the admission of new Non-Managing Members. Subject to Section 10b(5), no allocation of the Desk Bonus Pools may be made to a Departed Non-Managing Member without the consent of both a majority of the members of the Compensation Committee and Feinberg. Members of the Compensation Committee shall have reasonable access to all information relevant to the determination of