SIXTH AMENDED AND RESTATED

LIMITED PARTNERSHIP AGREEMENT OF

SAB CAPITAL PARTNERS, L.P.

Dated as of March 1, 2002

TABLE OF CONTENTS

SIXTH AMENDED AND RESTATED

LIMITED PARTNERSHIP AGREEMENT OF

SAB CAPITAL PARTNERS, L.P.

Dated as of March 1, 2002

THIS SIXTH AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT of SAB Capital Partners, L.P., dated the date first above written, is among SAB Capital Advisors, L.L.C., as general partner, and the undersigned Limited Partners. Capitalized terms used herein shall have the meanings set forth in Article I.

PRELIMINARY STATEMENT

WHEREAS, the General Partner and the undersigned Limited Partners entered into the Limited Partnership Agreement of the Partnership on January 4, 1999, as amended by the First Amended and Restated Limited Partnership Agreement of the Partnership, dated April 1, 1999, the Second Amended and Restated Limited Partnership Agreement of the Partnership, dated April 1, 2000, the Third Amended and Restated Limited Partnership Agreement of the Partnership dated July 1, 2000, the Fourth Amended and Restated Limited Partnership Agreement of the Partnership, dated September 1, 2000 and the Fifth Amended and Restated Limited Partnership Agreement of the Partnership, dated August 31, 2001; and

WHEREAS, the General Partner and the Limited Partners wish to clarify their agreement with respect to certain matters described in the Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the Agreement is hereby amended and restated in its entirety as follows as of the date first above written:

ARTICLE I

Defined Terms

Sec. 1.01 Defined Terms. For purposes of this Agreement, the following terms shall have the meanings ascribed to them below:

"Accounting Period" means the following periods: Each Accounting Period shall commence immediately after the close of the next preceding Accounting

Period. Each Accounting Period shall close at the close of business on the first to occur of (i) the last day of each fiscal quarter of the Partnership, (ii) the date immediately prior to the effective date of an additional Capital Contribution, (iii) the effective date of any withdrawal pursuant to Article V hereof, (iv) the date immediately prior to the effective date of the establishment of any Side-Pocket Account, (v) the date immediately prior to the effective date of a transfer from a Side-Pocket Account of all or a portion of the Value of the investment held in such Side-Pocket Account or all or a portion of the proceeds thereof to the Primary Capital Account Sub-Accounts of Participating Partners, (vi) the date when the Partnership dissolves or (vii) any other date the General Partner shall determine, but only, in the case of (ii), (iii), (iv) and (v), if treating such date as the close of an Accounting Period would result in the PCA Participating Percentage of any Primary Capital Account on the first day of the following Accounting Period differing from such Primary Capital Account's PCA Participating Percentage on the first day of the immediately preceding Accounting Period.

"Act" means the Delaware Revised Uniform Limited Partnership Act (6 Del. C. §17-101 et seq.), as amended from time to time.

"Affiliates" means (i) the Management Company and any of the Management Company's partners, officers, employees or other agents, (ii) the members, officers, employees or other agents of the General Partner, (iii) the members, partners, officers, employees or other agents of any member or partner in the General Partner or the Management Company and (iv) any Person directly or indirectly Controlling, Controlled by or under common Control with the General Partner or the Management Company.

"Agreement" means this Limited Partnership Agreement, as amended from time to time.

"Amount Eligible for Side-Pocket Investments" means, with respect to each Primary Capital Account Sub-Account at any time, an amount equal to 20% of the sum of (i) the balance of such Primary Capital Account Sub-Account at such time, (ii) with respect to the Primary Capital Account Sub-Accounts of any Primary Capital Account established on or prior to December 31, 1999, the amount, at such time, of any Remaining Capital Commitment with respect to such Primary Capital Account, and (iii) the amount such Primary Capital Account Sub-Account was debited in connection with the funding of all Side-Pocket Investments that continue to be held by the Partnership in Side-Pocket Accounts. If the Carrying Value of any such Side-Pocket Investment has been reduced pursuant to clauses (x)(ii) or (iii) of the definition of "Carrying Value", the amount specified in clause (iii) of this definition shall be reduced in the same proportion as the reduction in Carrying Value.

"Base Amount" means, with respect to each Limited Partner's Primary Capital Account, the balance in such Primary Capital Account at the beginning of the current Lock-Up Period with respect to such Primary Capital Account plus the Carrying Value at such time of each Related Side-Pocket Sub-Account maintained at such time with respect to such Primary Capital Account. During such Lock-Up Period, the Base

Amount shall be reduced for distributions (as described in Article V) as of the date of such distributions and increased by the amount of any Capital Contributions made by such Limited Partner credited to such Primary Capital Account, as of the date of such contributions.

"BHC Act" means the Bank Holding Company Act of 1956, as amended.

"BHC Limited Partner" means any Limited Partner that is, or is an affiliate of, a bank holding company (as defined in Section 2(a) of the BHC Act), or is subject to the provisions of the BHC Act as if it were a bank holding company, and that has provided notice to the General Partner that such Limited Partner should be treated as a BHC Limited Partner.

"Business Day" means any day that is not a Saturday, Sunday or other day on which banking institutions in New York, New York, are authorized or required by law or executive order to close.

"Capital Commitment" means, with respect to any Partner admitted to the Partnership on or before December 31, 1999, the total amount which such Partner has agreed to contribute to the Partnership (on or before December 31, 1999) pursuant to one or more subscription agreements executed by such Partner.

"Capital Contribution" means a contribution to the capital of the Partnership.

"Carrying Value" means, at any time, (x) with respect to each Side-Pocket Investment, the aggregate cost of such investment (including expenses relating to the acquisition thereof), adjusted as follows: (i) the Carrying Value shall be decreased by the amount of any Write Down, (ii) if there is realization, Deemed Realization or distribution of a portion (but not all) of such Side-Pocket Investment, its Carrying Value shall thereafter equal the Carrying Value prior to such event multiplied by a fraction, the numerator of which shall be the initial Carrying Value of the retained portion of the Side-Pocket Investment and the denominator of which shall be the initial Carrying Value of the entire Side-Pocket Investment, and (iii) if the Partnership receives a dividend or distribution with respect to such Side-Pocket Investment and the General Partner, in its discretion, deems such dividend or distribution (or any portion thereof) to be a return of capital, the Carrying Value of such investment shall be reduced (but not below zero) by the amount of such deemed return of capital, and (y) with respect to each Side-Pocket Sub-Account, the Carrying Value of the related Side-Pocket Investment multiplied by the Side-Pocket Participating Percentage of such Side-Pocket Sub-Account.

"Class A Limited Partner" means each Limited Partner admitted to the Partnership on or prior to March 31, 2000.

"Class B Limited Partner" means (i) each Limited Partner admitted to the Partnership on or after April 1, 2000, (ii) each Limited Partner admitted to the Partnership on or prior to March 31, 2000 who elected to be treated as a Class B Limited Partner by notice to the General Partner on or prior to August 15, 2000 and (iii) each

Class A Limited Partner who elects, at the end of the then-applicable Lock-Up Period with respect to such Limited Partner, to be treated as a Class B Limited Partner beginning immediately after the end of such Lock-Up Period pursuant to the provisions of Sec 5.11 hereof.

"Clawback" has the meaning specified in Sec. 4.04(d)(iii).

"Clawback Reserve Account" has the meaning specified in Sec. 4.04(d)(iii).

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Concentration Limit" means, with respect to a Primary Capital Account at any time, an amount equal to 25% of the sum of (i) the balance of such Primary Capital Account, (ii) the Carrying Value of all Related Side Pocket Sub-Accounts, and (iii) the amount, at such time, of any Remaining Capital Commitment of the Partner for whom such Primary Capital Account was established.

"Consenting Limited Partner" means each Limited Partner admitted to the Partnership before March 1, 2002 who consents to be bound by the provisions of Secs. 4.03(b) and 5.02(b) applicable to Consenting Limited Partners.

"Control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise; "Controlling" and "Controlled" have the correlative meanings.

"Control Affiliate" of any Person means (i) any Person directly or indirectly owning with the power to vote at least 80% of the outstanding voting securities of the specified Person, (ii) any Person at least 80% of whose outstanding voting securities are directly or indirectly owned with the power to vote by the specified Person and (iii) any Person at least 80% of whose outstanding voting securities are directly or indirectly owned with the power to vote by a Person specified in clause (i).

"Deemed Realization" means the determination by the General Partner, in its sole discretion, that an investment should no longer be maintained in a Side-Pocket Account; "Deemed Realized" has the correlative meaning.

"Defaulting Partner" has the meaning specified in Sec. 4.02(b).

"Excess Allocation" means, with respect to any Limited Partner Primary Capital Account at the end of each fiscal year, the excess, if any, of (i) the aggregate Incentive Allocations made with respect to such Primary Capital Account since the first day of the Lock-Up Period in which such fiscal year is included (adjusted for any Clawbacks) over (ii) the total Incentive Allocations to which the General Partner would be entitled with respect to the aggregate Net Increase with respect to such Primary Capital Account since the first day of such Lock-Up Period if the Incentive Allocation were computed for such period utilizing the sum of the Net Increase (less any Net

Decrease) with respect to such Primary Capital Account for each fiscal year during such Lock-Up Period.

"Excused Partner" means, with respect to any Side-Pocket Investment, any Limited Partner that the General Partner determines, in its sole discretion, will not participate in such Side-Pocket Investment.

"Family Entity" of any Person means any trust or estate all of the beneficiaries of which, or any Person all of the owners of which, are members of the Immediate Family of such Person or which are charities.

"Follow-Up Investment" means, with respect to a Side-Pocket Investment, the acquisition by the Partnership, subsequent to the date on which such Side-Pocket Investment is made, of additional Securities of the issuer of the Side-Pocket Investment that the General Partner determines shall be maintained in the same Side-Pocket Account as the related Side-Pocket Investment.

"General Partner" means SAB Capital Advisors, L.L.C., a Delaware limited liability company, until such time as it is no longer serving as general partner pursuant to Sec. 3.09, and any successor general partner in the Partnership.

"GP Tax Distribution" means any Tax Distribution distributable to the General Partner pursuant to Sec. 5.07.

"Immediate Family" of an individual means such individual's current spouse, parents-in-law, parents and lineal descendants of either of such parents, and any Family Entity of such Person.

"Incentive Allocation" has the meaning set forth in Sec. 4.04(b).

"Indemnified Party" means the General Partner, each Affiliate and the legal representatives of any of them.

"Limited Partner" means each Person who has executed a Limited Partner Signature Page in the form attached hereto (including each Person admitted as a substituted Limited Partner and each Person admitted as an additional Limited Partner pursuant to Article VI) and, with respect to those provisions of this Agreement concerning a Limited Partner's rights to receive a share of profits or other distributions or the return of a Limited Partner's contribution, any transferee of a Limited Partner's interest in the Partnership (except that a transferee who is not admitted as a Limited Partner shall have only those rights specified by the Act and which are consistent with the terms of this Agreement).

"Lock-Up Period" means the following periods: The initial Lock-Up Period, with respect to each Primary Capital Account Sub-Account of a Class A Limited Partner shall begin on the date such Primary Capital Account Sub-Account was established and end on the fourth December 31st thereafter; provided, however, that the initial Lock-Up Period with respect to any such Primary Capital Account Sub-Account

established as of January 1, or as of the first Business Day of any year shall end on the third December 31st thereafter. Unless such Class A Limited Partner elects to be treated as a Class B Limited Partner at the end of a Lock-Up Period pursuant to the provisions of Sec. 5.11 hereof, each subsequent Lock-Up Period with respect to a particular Primary Capital Account Sub-Account of a Class A Limited Partner shall commence immediately after the end of the preceding Lock-Up Period and shall end on the third December 31st thereafter. The initial Lock-Up Period, with respect to any Primary Capital Account Sub-Account of a Class B Limited Partner shall begin on the date such Primary Capital Account Sub-Account was established and shall end on the second December 31st thereafter; provided, however, that the initial Lock-Up Period with respect to any Primary Capital Account Sub-Account established as of the first Business Day of any year commencing in 2001 shall end on the first December 31st thereafter. Each subsequent Lock-Up Period with respect to a particular Primary Capital Account Sub-Account of a Class B Limited Partner shall commence immediately after the end of the preceding Lock-Up Period and shall end on the first December 31st thereafter. Notwithstanding the foregoing, the General Partner may, after the date hereof, admit additional Limited Partners with Primary Capital Accounts and/or Primary Capital Account Sub-Accounts having different Lock-Up Periods and the General Partner will have the right to amend, without the consent of the Limited Partners, the definition of "Lock-Up Period" (and, to the extent appropriate, other provisions of this Agreement) to reflect such different Lock-Up Periods.

"Loss Recovery Account" has the meaning specified in Sec. 4.04(e).

"Management Company" means SAB Capital Management, L.P. or such other Affiliate as the General Partner may designate.

"Management Fee" has the meaning specified in Sec. 3.07(a).

"Managing Member" means Mr. Scott A. Bommer.

"Memorandum Account" has the meaning specified in Sec. 4.04(h).

"NASD" means the National Association of Securities Dealers, Inc.

"Net Decrease" means, with respect to any fiscal year and each Limited Partner Primary Capital Account, the excess, if any, of (i)(a) the PCA Net Capital Depreciation, if any, debited to such Limited Partner Primary Capital Account during such fiscal year pursuant to Sec. 4.04(a), plus (b) the SPA Net Realized Loss with respect to any Related Side-Pocket Sub-Account in such fiscal year, plus (c) the amount of any decrease in the Carrying Value of a Related Side-Pocket Sub-Account as a result of a Write Down during such fiscal year, plus (d) the Management Fees debited to such Limited Partner Primary Capital Account during such fiscal year over (ii)(a) the PCA Net Capital Appreciation, if any, credited to such Limited Partner Primary Capital Account during such fiscal year pursuant to Sec. 4.04(a), plus (b) the SPA Net Realized Income with respect to any Related Side-Pocket Sub-Account in such fiscal year.

"Net Increase" means, with respect to any fiscal year and each Limited Partner Primary Capital Account, the excess, if any, of (i)(a) the PCA Net Capital Appreciation, if any, credited to such Limited Partner Primary Capital Account during such fiscal year pursuant to Sec. 4.04(a), plus (b) the SPA Net Realized Income with respect to any Related Side-Pocket Sub-Account in such fiscal year, over (ii)(a) the PCA Net Capital Depreciation, if any, debited to such Limited Partner Primary Capital Account during such fiscal year pursuant to Sec. 4.04(a), plus (b) the SPA Net Realized Loss with respect to any Related Side-Pocket Sub-Account in such fiscal year, plus (c) the amount of any decrease in the Carrying Value of a Related Side-Pocket Sub-Account as a result of a Write Down during such fiscal year, plus (d) the Management Fees debited to such Limited Partner Primary Capital Account during such fiscal year.

"Notice Date" has the meaning specified in Sec. 5.03.

"Opt-Out Election" means an election by a BHC Limited Partner, transmitted by written notice to the General Partner, to no longer be treated as a BHC Limited Partner for purposes of this Agreement.

"Other Account" means any fund or account (other than the Partnership) for whom the General Partner or an Affiliate Controlled by the Managing Member serves as general partner or investment manager.

"Participating Partner" means, with respect to any Side-Pocket Investment, each Partner who holds a Primary Capital Account Sub-Account which has a Related Side-Pocket Sub-Account with respect thereto.

"Partners" means the General Partner and the Limited Partners.

"Partnership" means SAB Capital Partners, L.P., a Delaware limited partnership, which shall be governed by, and operated pursuant to the terms and provisions of, this Agreement.

"Pass-Thru Partner" has the meaning specified in Sec. 8.03.

"PCA Net Capital Appreciation or Depreciation" means, for any Accounting Period, the amount computed as of the last day thereof by which (i) gross revenues during such Accounting Period, including dividends, income, distributions, the proceeds of sales, the Value of investments distributed in kind and Unrealized Gain, exceeds (in the case of PCA Net Capital Appreciation), or is less than (in the case of PCA Net Capital Depreciation), (ii) the total of all expenses during such Accounting Period, the cost of investments sold or distributed in kind during such Accounting Period and Unrealized Loss for such Accounting Period. Income or loss from Side-Pocket Investments and SPA Expenses shall not be included in the foregoing calculation.

"PCA Participating Percentage" means, with respect to each Primary Capital Account at any time during an Accounting Period, the percentage determined by dividing the balance of such Primary Capital Account as of the beginning of such

Accounting Period by the aggregate balances of all Primary Capital Accounts as of the beginning of such Accounting Period.

"Person" means any individual, partnership, limited liability company, association, corporation, trust or other entity.

"Positive Basis" has the meaning specified in Sec. 4.09.

"Positive Basis Partner" has the meaning specified in Sec. 4.09.

"Primary Capital Account" means each separate capital account established and maintained with respect to each Partner in accordance with Sec. 4.03, and includes references to all Primary Capital Account Sub-Accounts established and maintained on behalf of such Partner; the Vested Incentive Capital Account and each Clawback Reserve Account shall be deemed a separate Primary Capital Account of the General Partner.

"Primary Capital Account Sub-Account" means a memorandum sub-account established and maintained on behalf of each Limited Partner in accordance with Sec. 4.03.

"Priority Rate" means the yield on one-year U.S. Treasury securities on the first Business Day of each fiscal year of the Partnership.

"Priority Return" means, with respect to each Limited Partner Primary Capital Account on any date, an amount which would result in the Priority Rate from time to time in effect, compounded annually, having been earned on such Limited Partner Primary Capital Account's Base Amount (as adjusted from time to time) during the period commencing on the first day of the current Lock-Up Period and ending on the measuring date.

"Priority Return Deficit" means, with respect to the Primary Capital Account of a withdrawing Limited Partner, the amount by which the Priority Return exceeds the difference between (x) the aggregate Net Increase (less any Net Decrease) with respect to such Primary Capital Account during the final Lock-Up Period with respect to such Primary Capital Account and (y) the aggregate Incentive Allocations (less any Clawback) made with respect thereto during such Lock-Up Period.

"Purchase Price" has the meaning set forth in Sec. 4.04(h).

"Regulations" means the regulations promulgated and in effect from time to time by the Internal Revenue Service under the Code.

"Related Side-Pocket Sub-Account" means, with respect to any Primary Capital Account Sub-Account, each Side-Pocket Sub-Account established and maintained with respect to such Primary Capital Account Sub-Account.

"Remaining Capital Commitment" of any Partner at any time means the excess, if any, at such time of such Partner's Capital Commitment over its aggregate Capital Contributions made prior to such time.

"Remaining Side-Pocket Investment" means, with respect to any Limited Partner which has made a complete withdrawal of a Primary Capital Account, any Side-Pocket Investment which continues to be held (in whole or in part) after the Withdrawal Date with respect to such Primary Capital Account in a Side-Pocket Sub-Account established with respect to such Primary Capital Account.

"Remaining Side-Pocket Management Fee" means, with respect to each Side-Pocket Sub-Account with respect to a Remaining Side-Pocket Investment, a quarterly management fee equal to 0.375% of the Carrying Value of such Side-Pocket Sub-Account on the first day of such quarter.

"Remaining Side-Pocket Priority Return" means, with respect to each Remaining Side-Pocket Investment and any withdrawn Limited Partner, an amount which would result in the Priority Rate as in effect from time to time, compounded annually, having been earned on the Carrying Value of such Remaining Side-Pocket Investment with respect to such Partner during the period commencing on the day following the Withdrawal Date with respect to such Partner and ending on the date of the sale, Deemed Realization, distribution or other disposition of all or a portion of such Remaining Side-Pocket Investment.

"Remaining Side-Pocket Sub-Account" means any Side-Pocket Sub-Account maintained with respect to a Primary Capital Account as of the effective date of the withdrawal of such Primary Capital Account.

"RSP Capital Deficiency" has the meaning specified in Sec. 4.06(d)(iii).

"RSP Escrow" has the meaning specified in Sec. 4.06(d)(iii).

"RSP Loss Recovery Account" means a separate memorandum account established with respect to any Limited Partner which has completely withdrawn the balance of a Primary Capital Account, the balance of which at any time shall equal the balance in the Loss Recovery Account with respect to such Primary Capital Account on the date of such withdrawal (disregarding any adjustment pursuant to Sec. 4.04(e)(ii) that would otherwise be made at such time) (x) increased by any SPA Net Realized Loss (and Remaining Side-Pocket Management Fee) previously allocated to such Partner in connection with the Deemed Realization, sale, distribution to Partners or other disposition of all or a portion of any Remaining Side-Pocket Investment that was held in a Remaining Side-Pocket Sub-Account with respect to such Partner and (y) decreased by any SPA Net Realized Income previously allocated to such Partner in connection with such a Deemed Realization, sale, distribution or other disposition.

"Security" or "Securities" means securities and other financial instruments of United States and foreign entities, including, without limitation, capital stock; shares of beneficial interest; partnership interests and similar financial

instruments; interests in real estate and real estate related assets; bonds, notes, debentures (whether subordinated, convertible or otherwise); commodities; currencies; interest rate, currency, commodity, equity and other derivative products, including, without limitation, (i) futures contracts (and options thereon) relating to stock indices, currencies, United States Government securities and securities of foreign governments, other financial instruments and all other commodities, (ii) swaps, options, warrants, caps, collars, floors and forward rate agreements, (iii) spot and forward currency transactions and (iv) agreements relating to or securing such transactions; equipment lease certificates; equipment trust certificates; loans; accounts and notes receivable and payable held by trade or other creditors; trade acceptances; contract and other claims; executory contracts; participations; mutual funds; money market funds; obligations of the United States, any state thereof, foreign governments and instrumentalities of any of them; commercial paper; certificates of deposit; bankers' acceptances; trust receipts; and other obligations and instruments or evidences of indebtedness of whatever kind or nature; in each case, of any Person, corporation, government or other entity whatsoever, whether or not publicly traded or readily marketable.

"Side-Pocket Account" means each separate memorandum account established on the books of the Partnership to hold a Side-Pocket Investment and any Follow-Up Investment with respect thereto.

"Side-Pocket Investment" means any investment of the Partnership which, as reasonably determined by the General Partner, does not have a readily ascertainable Value or which is designated by the General Partner, in its sole discretion, to be held in a Side-Pocket Account.

"Side-Pocket Participating Percentage" means, with respect to each Side-Pocket Account and each Primary Capital Account Sub-Account at the time such Side-Pocket Account is established (other than any Clawback Reserve Account) with respect to the related Side-Pocket Investment, the amount determined by dividing the Unused Amount Eligible for Side-Pocket Investments (immediately prior to the time of the funding of such Side-Pocket Investment) of such Primary Capital Account Sub-Account by the Unused Amount Eligible for Side-Pocket Investments (at such time) of all Primary Capital Account Sub-Accounts (other than any Clawback Reserve Account) of Participating Partners with respect to such Side-Pocket Investment.

"Side-Pocket Sub-Account" established with respect to any Primary Capital Account Sub-Account means the separate memorandum sub-account established on the books of the Partnership in accordance with Sec. 4.06 to reflect such Primary Capital Account Sub-Account's interest in a particular Side-Pocket Account.

"SPA Expenses" means, with respect to any Side-Pocket Investment, any expense attributable, as reasonably determined by the General Partner, to such investment.

"SPA Net Realized Income or Loss" means, (x) with respect to any Side-Pocket Account for any Accounting Period, the amount (computed as of the last day

thereof) by which (i) gross revenue, including dividends, income, distributions, the proceeds of the full or partial sale (including a Deemed Realization) of the Side-Pocket Investment held in the Side-Pocket Account or the Value of that portion of such Side-Pocket Investment distributed in kind during the Accounting Period, exceeds in the case of income, or is less than in the case of loss, (ii) the sum of (A) the Carrying Value (or allocable portion thereof) of the Side-Pocket Investment sold (or Deemed Realized) or distributed in kind, and (B) any losses realized with respect to the investment not involving the sale thereof (other than any Write Down thereof), and (y) with respect to any Primary Capital Account, means SPA Net Realized Income or Loss as so determined multiplied by the Side-Pocket Participating Percentage of such Primary Capital Account with respect to such Side-Pocket Investment.

"Tax Distribution" means, with respect to each Primary Capital Account of a Partner and each fiscal year, an amount equal to the excess of (i) such Partner's presumed tax liability (i.e., the product of the estimated amount (as determined by the General Partner in good faith) of taxable income allocated during such fiscal year to such Primary Capital Account and all Related Side-Pocket Sub-Accounts and the highest maximum marginal federal, state and local income tax rates for individuals residing in New York City after giving effect to any federal deduction for all state and local taxes, and disregarding any limitations on the deductibility of such taxes) with respect to such Primary Capital Account for such fiscal year over (ii) all amounts distributed, if any, from such Primary Capital Account (and Related Side Pocket Sub-Accounts) to such Partner pursuant to any withdrawal from (or distribution with respect to) such Primary Capital Account (and Related Side-Pocket Sub-Accounts) during or effective as of the last day of such fiscal year other than any Tax Distributions with respect to any prior year.

"Tax Distribution Notice" has the meaning specified in Sec. 5.07.

"Total Capital Account" means, with respect to each Partner, the account established and maintained pursuant to Sec. 4.03.

"Unrealized Gain or Loss" means, for any Accounting Period, the sum of (x) with respect to any Securities (not including Side-Pocket Investments) acquired, or disposed of and reacquired, after the end of the preceding Accounting Period, the difference between the Value of such Securities at the end of such Accounting Period and the cost of such Securities upon acquisition or reacquisition and (y) with respect to all other Securities (other than Side-Pocket Investments), the difference between the Value of all such other Securities (not including Side-Pocket Investments) held at the end of such Accounting Period and the Value of such Securities at the end of the preceding Accounting Period.

"Unrestricted Partner" has the meaning specified in Sec. 4.04(g).

"Unused Amount Eligible for Side-Pocket Investments" means, with respect to each Primary Capital Account, the difference between (x) such Primary Capital Account's Amount Eligible for Side-Pocket Investment and (y) the sum of (i) the

Carrying Value (disregarding any changes thereto described in clause (i) of the definition thereof) of all Related Side-Pocket Sub-Accounts and (ii) the product obtained by multiplying such Primary Capital Account's PCA Participating Percentage by the Value, at such time, of all investments of the Partnership (other than Side-Pocket Investments) which, due to a legal or contractual restriction, are not freely transferable (as reasonably determined by the General Partner).

"Value" means that valuation of Securities determined in accordance with Sec. 4.07(a) hereof.

"Vested Incentive Account" has the meaning specified in Sec. 4.04(d)(iii).

"Withdrawal Date" has the meaning specified in Sec. 5.02(a).

"Write Down" means the reduction, in the discretion of the General Partner, of the Carrying Value of a Side-Pocket Investment to reflect material, long-term impairment of such investment.

ARTICLE II

General Provisions

Sec. 2.01 Formation of the Partnership. The Partnership was formed as a limited partnership under the Act by the filing of the Certificate of Limited Partnership of the Partnership with the Office of the Secretary of State of Delaware on August 25, 1998. The General Partner, for itself and as agent for the Limited Partners, shall make every reasonable effort to assure that all other certificates and documents are properly executed, and shall accomplish all filing, recording, publishing and other acts necessary or appropriate for compliance with all the requirements for the formation of the Partnership as a limited partnership under the Act.

Sec. 2.02 Partnership Name, Principal Office and Address. The name of the Partnership is SAB Capital Partners, L.P. Its principal office is located at 650 Madison Avenue, 26th Floor, New York, New York 10022, or at such other location as the General Partner in the future may designate. The General Partner shall promptly notify the Limited Partners of any change in the Partnership's name, principal office or address.

Sec. 2.03 Fiscal Year. The fiscal year of the Partnership shall begin on January 1 and end on December 31 of each calendar year.

Sec. 2.04 Partners; Liability of Limited Partners. The names of all of the Partners and the amounts of their respective Capital Commitments (in the case of Partners admitted to the Partnership on or prior to December 31, 1999) and Capital Contributions shall be set forth on the books and records of the Partnership.

Limited Partners (and former Limited Partners) shall have no liability for any debt or obligation of the Partnership except to the extent of their respective interests in the

Partnership, nor any obligation to contribute or make payments to the Partnership, except as provided by the Act or pursuant to the terms of this Agreement.

As used in this Agreement, the terms "former General Partner," "former Limited Partner" and "former Partner" refer to such Persons or entities as hereafter from time to time cease to be a General Partner, Limited Partner or Partner, respectively, pursuant to the terms and provisions of this Agreement.

Sec. 2.05 Purposes of Partnership. The Partnership is organized for the purposes of investing in, holding, selling and otherwise dealing in for its own account Securities and engaging in all activities and transactions as the General Partner may deem necessary or advisable in connection therewith, including, without limitation, to:

(a) invest, on margin or otherwise, in Securities and to sell Securities short and cover such sales;

(b) possess, transfer, mortgage, pledge or otherwise deal in, and to exercise all rights, powers, privileges and other incidents of ownership or possession with respect to, Securities and other property and funds held or owned by the Partnership;

(c) acquire a long position or a short position with respect to any Security and to make purchases or sales increasing, decreasing or liquidating such position or changing from a long position to a short position or from a short position to a long position, without any limitation as to the frequency of the fluctuation in such positions or as to the frequency of the changes in the nature of such positions;

(d) maintain for the conduct of Partnership affairs one or more offices, and do such other acts as the General Partner may deem necessary or advisable in connection with the maintenance and administration of the Partnership;

(e) lend, with or without security, any of the Securities, funds or other properties of the Partnership and, from time to time without limit as to amount, borrow or raise funds and secure the payment of obligations of the Partnership by mortgage upon, or pledge or hypothecation of, all or any part of the property of the Partnership;

(f) engage attorneys, independent accountants, consultants or such other Persons as the General Partner may deem necessary or advisable;

(g) enter into custodial arrangements regarding Securities owned beneficially by the Partnership with banks and brokers wherever located; and

(h) do such other acts as the General Partner may deem necessary or advisable in connection with the maintenance and administration of the Partnership.

Sec. 2.06 Assignability of Interest. A Limited Partner may not pledge, assign, sell, exchange or transfer all or any portion of its interest in the Partnership, and no assignee, purchaser or transferee may be admitted as a substitute Limited Partner, except with the consent of the General Partner, which consent may be given or withheld in its sole and absolute discretion;

provided, however, that a Limited Partner may transfer the economic rights with respect to its interest in the Partnership to its Control Affiliates and Family Entities with the General Partner's consent, which consent shall not be unreasonably withheld. The General Partner may permit other pledges, transfers or assignments under such circumstances as it, in its sole discretion, deems appropriate. Any attempted pledge, transfer or assignment not made in accordance with this Sec. 2.06 shall be void.

ARTICLE III

Management of Partnership

Sec. 3.01 Management Generally. The management of the Partnership shall be vested exclusively in the General Partner. Subject to the limitations provided in this Agreement, the General Partner shall have exclusive and complete authority and discretion to manage the operations and affairs of the Partnership and to make all decisions regarding the business of the Partnership. Except as authorized by the General Partner, the Limited Partners shall have no part in the management of the Partnership, and shall have no authority or right to act on behalf of the Partnership in connection with any matter.

Sec. 3.02 Authority of General Partner. The General Partner shall have all rights and powers of a general partner under the Act, and shall have the power, on behalf and in the name of the Partnership to carry out any and all of the objects and purposes of the Partnership set forth in Sec. 2.05, and to perform all acts and enter into and perform all contracts and other undertakings which it may deem necessary or advisable or incidental thereto, including, without limitation, the power to:

(a) open, maintain and close accounts, including margin and custodial accounts, with brokers, which power shall include the authority to issue all instructions and authorizations to brokers regarding the Securities and/or money therein; to pay, or authorize the payment and reimbursement of, brokerage commissions that may be in excess of the lowest rates available that are paid to brokers who execute transactions for the account of the Partnership and who supply or pay for (or rebate a portion of the Partnership's brokerage commissions to the Partnership for payment of) the cost of property or services (such as research services, news and quotation equipment and publications) utilized by the Partnership, it being recognized that such arrangements are within the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended, which permits the use of "soft dollars" in certain circumstances, provided that the Partnership does not pay commission rates in excess of what is competitively available from comparable brokerage firms for comparable services, taking into account various factors, including commission rates, financial responsibility and strength of the broker and ability of the broker to efficiently execute transactions;

(b) open, maintain and close accounts, including custodial accounts, with banks, including banks located outside the United States, and draw checks or other orders for the payment of monies;

(c) do any and all acts on behalf of the Partnership, and exercise all rights of the Partnership, with respect to its interest in any Person, including, without limitation, the

voting of Securities, participation in arrangements with creditors, the institution and settlement or compromise of suits and administrative proceedings and other like or similar matters;

(d) organize one or more corporations, limited liability companies or other entities to invest in Securities or to hold record title, as nominee for the Partnership, to Securities or funds of the Partnership;

(e) combine purchase or sale orders on behalf of the Partnership with orders for the Other Accounts and allocate the securities or other assets so purchased or sold, on an average price basis, among such accounts;

(f) enter into arrangements with brokers to open "average price" accounts wherein orders placed during a trading day are placed on behalf of the Partnership and Other Accounts and allocated among such accounts using an average price;

(g) retain the Management Company to provide certain management and administrative services to the Partnership and to cause the Partnership to compensate the Management Company for such services as provided in Sec. 3.07; provided, however, management, control and conduct of the activities of the Partnership shall remain the responsibility of the General Partner;

(h) provide research and analysis and direct the formulation of investment policies and strategies for the Partnership;

(i) invest in other pooled investment vehicles, which investments shall be subject in each case to the terms and conditions of the respective governing document for such vehicle; and

(j) authorize any member, employee or other agent of the General Partner or agent or employee of the Partnership to act for and on behalf of the Partnership in all matters incidental to the foregoing.

Sec. 3.03 Reliance by Third Parties. Persons dealing with the Partnership are entitled to rely conclusively upon the certificate of the General Partner to the effect that it is then acting upon its power and authority as General Partner as herein set forth.

Sec. 3.04 Activity of General Partner. The General Partner and the Managing Member shall devote so much of their time to the affairs of the Partnership as in the judgment of the General Partner the conduct of its business shall reasonably require, and neither the General Partner nor any Affiliate shall be obligated to do or perform any act or thing in connection with the business of the Partnership not expressly set forth herein. Nothing in this Sec. 3.04 shall be deemed to preclude the General Partner or the Affiliates from exercising investment responsibility, from engaging directly or indirectly in any other business or from directly or indirectly purchasing, selling, holding or otherwise dealing with any Securities for the account of any such other business, for their own accounts or for the accounts of any of their Immediate Family or for other clients. No Limited Partner shall, by reason of being a Partner in the Partnership, have any right to participate in any manner in any profits or income earned or derived by or accruing to the General Partner or an Affiliate from the conduct of any business or from any

transaction in Securities effected by the General Partner or an Affiliate for any account other than that of the Partnership.

Sec. 3.05 Exculpation. Neither the General Partner nor any Affiliate shall be liable to any Limited Partner or the Partnership for any acts or omissions arising out of or in connection with the Partnership, any investment made or held by the Partnership, or this Agreement unless such action or inaction was performed or omitted fraudulently or in bad faith or constituted gross negligence or willful misconduct, or for losses due to such action or inaction or to the negligence, dishonesty or bad faith of any employee, broker or other agent of the Partnership, provided that such employee, broker or agent was selected, engaged or retained by the Partnership with reasonable care. Each of the General Partner and Affiliates may consult with counsel and accountants in respect of Partnership affairs and be fully protected and justified in any action or inaction which is taken in accordance with the advice or opinion of such counsel or accountants, provided that they shall have been selected with reasonable care.

Sec. 3.06 Indemnification. To the fullest extent permitted by law, the Partnership shall indemnify and hold harmless each Indemnified Party from and against any loss, cost or expense suffered or sustained by an Indemnified Party by reason of (i) any acts, omissions or alleged acts or omissions arising out of or in connection with the Partnership, any investment made or held by the Partnership or this Agreement, including but not limited to any judgment, award, settlement, reasonable attorney's fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim and including any payments made by the General Partner to any Affiliate pursuant to an indemnification agreement no broader than this Sec. 3.06, if the acts, omissions or alleged acts or omissions upon which such actual or threatened action, proceeding or claims are based were not performed or omitted fraudulently or in bad faith or did not constitute gross negligence or willful misconduct by such Indemnified Party, or (ii) the negligence, dishonesty or bad faith of any employee, broker or other agent of any Indemnified Party provided that such employee, broker or agent was selected, engaged or retained by the Indemnified Party with reasonable care. The Partnership shall, in the sole discretion of the General Partner, advance to any Indemnified Party reasonable attorney's fees and other costs and expenses incurred in connection with the defense of any action or proceeding that arises out of such conduct. In the event that such an advance is made by the Partnership, the Indemnified Party shall agree to reimburse the Partnership for such fees, costs and expenses to the extent that it shall be determined that it was not entitled to indemnification under this Sec. 3.06. If the Indemnified Party is an entity with a net worth of less than $5.0 million, its obligation to repay advances pursuant to the preceding sentence shall be guaranteed by the natural persons who hold (directly or indirectly) at least 80% of the beneficial economic interest in such Indemnified Party or by an entity with a net worth of more than $5.0 million.

Sec. 3.07 Management Fee; Payment of Certain Costs and Expenses.

(a) The Partnership will pay (subject to (b) and (d) below) to the Management Company a quarterly management fee (the "Management Fee") on the first day of each calendar quarter with respect to each Limited Partner Primary Capital Account equal to 0.375% of the sum of (i) the balance of such Primary Capital Account on the first day of the quarter; (ii) the amount of any Remaining Capital Commitment on such day of the Limited Partner in respect of which such Primary Capital Account was established; and (iii) the Carrying

Value on such day of all Related Side-Pocket Sub-Accounts. Each Limited Partner Primary Capital Account shall be decreased by an amount equal to the Management Fee with respect thereto.

(b) If a Capital Contribution (other than a Capital Contribution made in respect of a Remaining Capital Commitment pursuant to Sec. 4.02) is made by a Limited Partner as of any date other than the first day of a calendar quarter, the Partnership shall pay to the Management Company a Management Fee with respect thereto equal to 0.375% of such Capital Contribution multiplied by a fraction, the numerator of which is the number of days remaining in the quarter as of (and including) the contribution date and the denominator of which is 90. Such fee will be paid upon the contribution of the additional funds to the Partnership and the Limited Partner Primary Capital Account in respect of which such contribution was made shall be decreased by the amount of such fee.

(c) The Remaining Side-Pocket Management Fee payable with respect to each Side-Pocket Sub-Account with respect to any Remaining Side-Pocket Investment shall be accrued and, upon any realization or Deemed Realization of the applicable Side-Pocket Investment, or the receipt of any SPA Net Realized Income with respect thereto, any accrued and unpaid Remaining Side-Pocket Management Fee, with interest at the Priority Rate, shall be paid to the Management Company from such proceeds prior to any such proceeds being distributed to the Partner holding such Side-Pocket Sub-Account. If a remaining Side-Pocket Investment is realized or Deemed Realized in full and the amount of the accrued and unpaid Remaining Side-Pocket Management Fee (and interest) exceeds the proceeds thereof, then such excess shall be added to the Remaining Side-Pocket Management Fee with respect to such Primary Capital Account's Side-Pocket Sub-Account in the next following Remaining Side-Pocket Investment with respect to which there is a realization, Deemed Realization or SPA Net Realized Income.

(d) In the discretion of the General Partner, the Management Fee and the Remaining Side-Pocket Management Fee may be calculated differently with respect to, or may not be charged to, Primary Capital Accounts of any Limited Partner, including, without limitation, any Limited Partner that is an Affiliate or is a member of the Immediate Family of the Managing Member.

(e) The Partnership shall bear its own expenses, including investment expenses (e.g., brokerage commissions, interest expense, consultant expenses and expenses in connection with proposed transactions, including transactions which fail to close), investment-related travel expenses, legal expenses, accounting expenses, auditing and tax preparation expenses, organizational expenses, and expenses relating to the offer and sale of interests and other expenses related to the Partnership. If any such costs are incurred in connection with an investment in which both the Partnership and any Other Account participate, such costs incurred by the Partnership or such Other Account shall be borne pro rata by such entities based on the amount invested by such entities, unless the General Partner reasonably determines that such costs shall be borne in different proportions. The General Partner shall fund SPA Expenses by debiting such amount to the Primary Capital Accounts of the Participating Partners with respect to such Side-Pocket Investment in proportion to their Side-Pocket Participating Percentages therein (and if a Participating Partner has no Primary Capital Account with respect to such Side

Pocket Investment or if the amount to be debited exceeds the balance of such Primary Capital Account, then such Participating Partner shall be obligated to contribute to the Partnership an amount equal to the amount that would otherwise be debited to its Primary Capital Account (or the amount of such excess) and if such amount is not contributed, the proceeds of any such Side-Pocket Sub-Account of such Partner will be reduced by such amount, in each case with interest at the Priority Rate from the date such SPA Expense was paid by the Partnership through the date of such contribution or reduction).

(f) If the General Partner, the Managing Member, the Management Company, any officer or employee of the Management Company or any entity that is Controlled by any such Person receives any transaction fees (e.g., break-up, transaction and topping fees) or fees for services rendered to a Partnership portfolio company (including consulting and directors' fees), an amount equal to 100% (or a pro rata portion thereof if Other Accounts have invested in such portfolio company) of such fees shall be offset against the Management Fee during the year in which such fees are received, with any excess to be carried forward to be offset against the Management Fee in future years. If any such fee was paid by an issuer in which the Partnership has a Side-Pocket Investment, such fee shall only offset the Management Fee with respect to the Primary Capital Accounts of Participating Partners with respect to such Side-Pocket Investment. Any reduction of the Management Fee pursuant to the preceding two sentences shall be applied to reduce the Management Fee charged to each Primary Capital Account (or each Primary Capital Account that has a Related Side Pocket Sub-Account) pro rata in accordance with the Management Fees payable by all such Primary Capital Accounts.

(g) Organizational expenses of the Partnership shall be paid for by the Partnership and amortized over such period as the General Partner shall determine.

(h) In consideration of the Management Fee (and the Remaining Side-Pocket Management Fee), the Management Company shall provide office space and utilities, news, quotation and computer equipment and services (except to the extent provided through soft dollars generated by the Partnership), administrative services and secretarial, clerical and other personnel to the Partnership. The Partnership shall not bear the expense of such items, except as provided in Sec. 3.02(a) with respect to soft dollars. The General Partner may elect to have certain costs or expenses of the Partnership charged solely to its Primary Capital Account.

Sec. 3.08 General Partner's Discretion. Whenever in this Agreement the General Partner is permitted or required to make a decision (i) in its "sole discretion," "discretion" or "determination," or under a similar grant of authority or latitude, the General Partner shall be entitled to consider such interests and factors as it desires and may consider its own interests and the interests of its Affiliates, or (ii) in its "good faith" or under another express standard, the General Partner shall act under such express standards and shall not be subject to any other or different standards imposed by this Agreement or by law or any other agreement contemplated herein.

Sec. 3.09 Removal of General Partner.

(a) The General Partner may be removed from the Partnership only for cause. Such removal shall be effected only by written consent of Limited Partners whose aggregate Total Capital Account balances exceed 50% of the Total Capital Account balances of all Limited Partners. For purposes hereof, cause for removal of the General Partner shall exist only if (i) the General Partner or the Managing Member has been convicted of a felony, (ii) the General Partner has committed fraud against the Partnership or the Managing Member has committed fraud against the General Partner or the Partnership, or (iii) any act or omission of the General Partner or the Managing Member in connection with the Partnership which constitutes gross negligence or willful misconduct. In the event of the removal of the General Partner for cause, (i) the Partnership shall dissolve unless a replacement General Partner is designated within 30 days of such removal by written consent of Limited Partners whose aggregate Total Capital Account balances exceed 50% of the Total Capital Account balances of all Limited Partners and such Partners agree to continue the business of the Partnership, and (ii) the former General Partner's Total Capital Account (and each Primary Capital Account and Side-Pocket Sub-Account) shall be converted to a capital account of a Limited Partner. The former General Partner shall be required to withdraw from the Partnership pursuant to Sec. 5.04 as of the end of the quarter in which such removal takes place.

(b) If the General Partner or the Managing Member is indicted for a felony related to the securities business generally, including, without limitation, any alleged violation of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, or the Investment Advisers Act of 1940 (in each case as amended), or to Partnership activities, the General Partner will take such actions as may be necessary in order that the Managing Member no longer serves as the managing member of the General Partner until such charges are resolved. During the period the Managing Member is relieved of his duties, the General Partner will appoint as the interim managing member of the General Partner such Person as may be designated by (i) Reservoir Capital Partners, L.P. if Reservoir Capital Partners, L.P. or any of its affiliates then has an interest in the Partnership or (ii) if Reservoir Capital Partners, L.P. and its affiliates have no such interest, Limited Partners whose aggregate Total Capital Account balances exceed 50% of the aggregate Total Capital Account balances of the Limited Partners.

ARTICLE IV

Capital Accounts of Partners and Operation Thereof

Sec. 4.01 Capital Contributions.

(a) Each Partner admitted to the Partnership on or after the date hereof shall make a Capital Contribution to the Partnership on the date of its admission to the Partnership in the amount set forth on the books and records of the Partnership.

(b) Limited Partners may make additional Capital Contributions at any time with the consent of the General Partner. The General Partner may make Capital Contributions to the Partnership in cash at such times as it may determine.

(c) Unless otherwise agreed to by the General Partner and such Limited Partner, each Capital Contribution made by an existing Limited Partner during a Lock-Up Period shall be placed in the same Primary Capital Account established and maintained as set forth in this Article IV.

(d) All Capital Contributions made by a Limited Partner pursuant to this Sec. 4.01 or Sec. 4.02 shall be made in cash, unless the General Partner, in its discretion, determines to accept Securities as a Capital Contribution (with the amount of such Capital Contribution being the Value of such Securities on the date of contribution). All Capital Contributions by the General Partner shall be made in cash.

Sec. 4.02 Drawdowns; Failure of Contribution by Limited Partner.

(a) Each Partner admitted to the Partnership on or prior to December 31, 1999 shall make contributions to the Partnership pursuant to the terms of this Agreement up to the amount of its Capital Commitment. Each such Partner shall make Capital Contributions, pro rata, based on the ratio of its Capital Commitment to the Capital Commitments of all Partners with Remaining Capital Commitments (other than, in the General Partner's discretion, the Capital Commitment of a Defaulting Partner), at such times and in such amounts as the General Partner shall specify in notices delivered from time to time to such Partners. All such Capital Contributions (subject to Sec. 4.01(d)) shall be paid to the Partnership in immediately available funds in U.S. dollars by 11:00 A.M. (New York City time) on the date specified in such notice. Each such notice shall specify the amount of the Capital Contribution due, the date on which it is due (which shall be not earlier than ten Business Days after the receipt by a Limited Partner of such notice) and the account to which it should be paid. The Remaining Capital Commitments of a Limited Partner shall expire if not called for funding on or prior to December 31, 1999. The Remaining Capital Commitment of a Partner required to withdraw from the Partnership pursuant to Sec. 5.04 or permitted to withdraw from the Partnership pursuant to Sec. 5.01 shall terminate on the effective date of such withdrawal (as determined pursuant to Sec. 5.09).

(b) If a Limited Partner fails to contribute any portion of its Capital Commitment when called for by the General Partner (a "Defaulting Partner"), (i) any partial contribution made by such Limited Partner may be returned to it, (ii) the Primary Capital Account of such Defaulting Partner shall not, unless the General Partner shall otherwise determine, thereafter receive any allocation of PCA Net Capital Appreciation (such amount instead to be allocated to the Primary Capital Accounts of non-Defaulting Partners in accordance with Capital Commitments) and (iii) the Primary Capital Account of such Defaulting Partner shall not, unless the General Partner shall otherwise determine, receive any SPA Net Realized Income (such amount instead to be allocated to the Primary Capital Accounts of non-Defaulting Partners in accordance with their Side-Pocket Participating Percentages with respect to each Side-Pocket Account with respect to which such SPA Net Realized Income is received). Unless the General Partner shall otherwise determine, a Defaulting Partner's Total Capital Account balance shall be reduced by 33 1/3% (and the amount of such reduction shall be allocated to the non-Defaulting Partners pro rata in accordance with Capital Commitments). The General Partner may elect to cause the Partnership to repurchase such Defaulting Partner's interest in the Partnership for the lesser of (i) the Defaulting Partner's reduced Total Capital

Account balance or (ii) the amount of the Defaulting Partner's Capital Contributions less any distributions made to such Defaulting Partner through the date of the repurchase. The Partnership may pay for the Defaulting Partner's reduced interest with a 10-year promissory note, bearing interest at an annual rate equal to the lesser of: (i) 8% or (ii) the 30-day U.S. Treasury Bill rate on the day of such default.

(c) The repurchase and other rights and remedies pursuant to Sec. 4.02(b) are not exclusive and shall not be deemed to waive any other right or remedy of the Partnership or any Partner under this Agreement, at law or in equity, against any Defaulting Partner or its permitted transferee, as the case may be, for failure to make a Capital Contribution required by Sec. 4.02(a). The Limited Partners hereby agree not to seek to prevent exercise of the repurchase rights hereunder by any action, suit or proceeding at law or in equity.

(d) In the event the interest of the Defaulting Partner is not repurchased, it shall be separately accounted for, and the Defaulting Partner will continue to be obligated to contribute its Remaining Capital Commitment pursuant to the terms hereof. Sub-accounts may be used in connection with accounting for the interest of such Defaulting Partner.

Sec. 4.03 Capital Accounts.

(a) Upon the admission of a Partner, a Total Capital Account and Primary Capital Account will be established for such Partner. The Total Capital Account of each Partner at any time shall be maintained in accordance with the principles of Regulations Section 1.704-1(b)(2)(iv), as amended, and the balance in such Total Capital Account shall equal the aggregate of the balance of the Primary Capital Accounts of such Partner plus the Carrying Value of all Side-Pocket Sub-Accounts of such Partner. Each Primary Capital Account shall initially equal the amount of the Capital Contribution initially contributed to such Primary Capital Account. Thereafter, each Primary Capital Account shall be (i) increased by the amount of any Capital Contributions to the Partnership made with respect to such Primary Capital Account pursuant to Sec. 4.01 or Sec. 4.02, (ii) decreased by its share of the cost (based on its Side-Pocket Participating Percentage) of any Side-Pocket Investment in which such Primary Capital Account participates or any Follow-Up Investment (as determined pursuant to Sec. 4.06(b)), (iii) increased or decreased as described in Sec. 4.02(b), (iv) increased or decreased by the amount of any PCA Net Capital Appreciation or Depreciation credited or debited to such Primary Capital Account (as determined pursuant to Sec. 4.04); (v) decreased or increased by any amount of Incentive Allocation allocated or reallocated from or to such Primary Capital Account pursuant to Secs. 4.04(b) or (d) (which relate to Primary Capital Accounts), 4.06 (which relates to Side Pocket Investments) or 5.08 (which relates to Remaining Side Pocket Investments); (vi) increased by the Value, if any of investments or proceeds transferred from a Related Side-Pocket Sub-Account to such Primary Capital Account pursuant to Sec. 4.06 or Sec. 5.08; (vii) decreased by the amount of SPA Expenses debited to such Primary Capital Account pursuant to Sec. 3.07(e); (viii) decreased by the amount of any withdrawals or distributions with respect thereto; and (ix) decreased by the amount of the Management Fee paid with respect to such Primary Capital Account pursuant to Sec. 3.07.

(b) The Primary Capital Account of each Limited Partner shall be divided into:

(i) a Primary Capital Account Sub-Account consisting of the Primary Capital Account balance of such Limited Partner relating to (A) all Capital Contributions made by such Limited Partner prior to March 1, 2002 and (B) with respect to each non-Consenting Limited Partner, all Capital Contributions made by such Limited Partner occurring on or after March 1, 2002; and

(ii) with respect to each Consenting Limited Partner and each Limited Partner admitted to the Partnership on or after March 1, 2002, separate Primary Capital Account Sub-Accounts relating to each Capital Contribution made by any such Limited Partner occurring on or after March 1, 2002.

Sec. 4.04 Allocation of PCA Net Capital Appreciation or Depreciation; Incentive Allocation.

(a) Subject to the other sub-sections of this Sec. 4.04, at the end of each Accounting Period, the Primary Capital Account(s) of each Partner shall be adjusted by crediting any PCA Net Capital Appreciation or debiting any PCA Net Capital Depreciation to the Primary Capital Accounts of all the Partners in proportion to their respective PCA Participating Percentages as of the beginning of the Accounting Period, and each Limited Partner's share thereof shall be allocated among and credited to or debited against the Primary Capital Account Sub-Accounts of such Limited Partner in proportion to the respective opening Primary Capital Account Sub-Account balances thereof.

(b) Subject to the next following sentence and the other sub-sections of this Sec. 4.04, at the end of each fiscal year of the Partnership, an incentive allocation (the "Incentive Allocation") shall be credited to a capital account of the General Partner (a portion of which shall be credited to the associated Clawback Reserve Account, if any, and the balance of which shall be credited to the Vested Incentive Account as described in (d)(iii) below) with respect to each Limited Partner Primary Capital Account (and debited to such Limited Partner Primary Capital Account). The Incentive Allocation with respect to each Limited Partner Primary Capital Account shall equal 20% of the aggregate Net Increase with respect to such Limited Partner Primary Capital Account for such fiscal year; provided, however, that the Net Increase upon which the calculation of the Incentive Allocation is based shall be reduced (but not below zero) to the extent of any then remaining balance in the Loss Recovery Account with respect to such Primary Capital Account. The balance remaining in a Loss Recovery Account for purposes of the foregoing proviso shall be the amount existing immediately prior to reduction for any Net Increase with respect to such Primary Capital Account since the immediately preceding date as of which an Incentive Allocation was made (or if no Incentive Allocation has been made, since the beginning of the applicable Lock-Up Period) as determined pursuant to the second clause of the second sentence of Sec. 4.04(e)(i).

(c) In the discretion of the General Partner, the Incentive Allocation may be calculated differently with respect to, or may not be charged to, any Limited Partner,

including any Limited Partner that is an Affiliate or is a member of the Immediate Family of the Managing Member.

(d) (i) No Incentive Allocation shall be made with respect to a Primary Capital Account of any Class A Limited Partner at any time unless the sum of the Net Increase in respect of such Primary Capital Account since the beginning of the Lock-Up Period in which such year falls with respect to such Primary Capital Account (less any Net Decrease during such period) exceeds the Priority Return with respect to such Primary Capital Account at such time. An Incentive Allocation shall be made at any time only to the extent that it does not reduce such aggregate Net Increase since the beginning of such Lock-Up Period with respect to such Primary Capital Account to an amount less than the Priority Return at such date.

(ii) If, as a result of the application of the Priority Return, the General Partner is allocated less than the aggregate Incentive Allocation which would otherwise be due with respect to a particular Primary Capital Account in any year, the Incentive Allocation in future years (if any) during the same Lock-Up Period with respect to such Primary Capital Account shall be increased by such deficiency (provided that such increase does not result in the Net Increase with respect to such Primary Capital Account (after taking into account the aggregate Incentive Allocations during the relevant Lock-Up Period with respect thereto) during the Lock-Up Period being less than the Priority Return).

(iii) A "Clawback Reserve Account" associated with each Limited Partner Primary Capital Account of a Class A Limited Partner from which an Incentive Allocation has been made shall be maintained as separate Primary Capital Accounts for the General Partner. A "Vested Incentive Account" shall also be maintained as a separate Primary Capital Account for the General Partner.

(A) In the case of (i) a Primary Capital Account that is established as of January 1 or as of the first Business Day of any fiscal year or (ii) a Primary Capital Account, regardless of the date of its establishment, where the first Incentive Allocation made with respect to such account covers a period of greater than twelve months, a Clawback Reserve Account shall be established and initially be credited with an amount equal to 66 2/3% of the difference between the Incentive Allocation made with respect to the associated Limited Partner Primary Capital Account and the GP Tax Distribution with respect thereto as of the date of the first Incentive Allocation in a Lock-Up Period, provided the end of such fiscal year is not the end of a Lock-Up Period (in which case no portion of such Incentive Allocation shall be credited to a Clawback Reserve Account). The balance of such Incentive Allocation shall be credited to the Vested Incentive Account. At the end of the first fiscal year after the year in which it was established, such Clawback Reserve Account shall be adjusted as follows, provided the end of such fiscal year is not the end of a Lock-Up Period (in which case the account shall be governed by the next sentence): first, reduced by any GP Tax Distribution with respect thereto; second, reduced by any Clawback (as described below); third, reduced by 50% of the then remaining balance of such Account; and fourth, increased by 66 2/3% of the difference between the Incentive Allocation made with respect to the associated Limited Partner Primary Capital Account for such year and the GP Tax Distribution with respect thereto. At the end of the second fiscal year after the year in which it was established, and in any case at the end of any Lock-Up Period, such Clawback Reserve Account shall be adjusted as follows: first,

reduced by any GP Tax Distribution with respect thereto; second, reduced by any Clawback with respect thereto; and third, reduced by an amount equal to 100% of the remaining balance of such Clawback Reserve Account. The amount by which such Clawback Reserve Account is reduced pursuant to clauses first and third of the two preceding sentences will, at the General Partner's election, either be credited to the Vested Incentive Account or distributed to the General Partner.

(B) In the case of a Primary Capital Account that is established as of any day other than January 1 or the first Business Day of a fiscal year where an Incentive Allocation is made with respect to the fiscal year in which such Primary Capital Account was established, a Clawback Reserve Account shall be established and initially be credited with an amount equal to 75% of the difference between the Incentive Allocation made with respect to the associated Limited Partner Primary Capital Account and the GP Tax Distribution with respect thereto as of the date of such Incentive Allocation. The balance of such Incentive Allocation shall be credited to the Vested Incentive Account. At the end of the first fiscal year after the year in which it was established, the Clawback Reserve Account shall be adjusted as follows, provided the end of such fiscal year is not the end of a Lock-Up Period (in which case the account shall be governed by the second following sentence): first, reduced by any GP Tax Distribution with respect thereto; second, reduced by any Clawback (as described below); third, reduced by 33-1/3% of the then remaining balance of such Account; and fourth, increased by 66 2/3% of the difference between the Incentive Allocation made with respect to the associated Limited Partner Primary Capital Account for such year and the GP Tax Distribution with respect thereto. At the end of the second fiscal year after the year in which it was established, the Clawback Reserve Account shall be adjusted as follows, provided the end of such fiscal year is not the end of a Lock-Up Period (in which case the account shall be governed by the next sentence): first, reduced by any GP Tax Distribution with respect thereto; second, reduced by any Clawback with respect thereto; third, reduced by 50% of the then remaining balance of such Account; and fourth, increased by 66 2/3% of the difference between the Incentive Allocation made with respect to the associated Limited Partner Primary Capital Account for such year and the GP Tax Distribution with respect thereto. At the end of the third fiscal year after its establishment, and in any case at the end of any Lock-Up Period, such Clawback Reserve Account shall be adjusted as follows: first, reduced by any GP Tax Distribution with respect thereto; second, reduced by any Clawback with respect thereto; and third, reduced by 100% of the remaining balance of such Clawback Reserve Account. The amount by which such Clawback Reserve Account is reduced pursuant to clauses first and third of the three preceding sentences will, at the General Partner's election, either be credited to the Vested Incentive Account or distributed to the General Partner.

(C) If at the end of any fiscal year (including the last fiscal year) in a Lock-Up Period there has been an Excess Allocation with respect to a Limited Partner Primary Capital Account, an amount shall be reallocated from the associated Clawback Reserve Account to the associated Limited Partner Primary Capital Account equal to the lesser of the Excess Allocation and the amount in the associated Clawback Reserve Account (the "Clawback"), and the associated Clawback Reserve Account shall be reduced by such reallocation. The balance (or any portion) of the Clawback Reserve Account established with respect to a particular Limited Partner Primary Capital Account may be reallocated to such associated Limited Partner Primary Capital Account or paid to the Limited Partner with respect

to which such Primary Capital Account was established, as the General Partner and such Limited Partner may agree. The provisions of this subsection 4.04(d)(iii)(C) shall apply to any Clawback Reserve Account, whether such account was maintained pursuant to subsection 4.04(d)(iii)(A) or 4.04(d)(iii)(B).

(iv) If the General Partner is removed pursuant to Sec. 3.09, or if a Limited Partner withdraws from the Partnership pursuant to clauses (iii) or (iv) of Sec. 5.03, the entire balance in each Clawback Reserve Account (in the case of such removal) or the Clawback Reserve Account established with respect to the Primary Capital Account of the withdrawing Partner shall be reallocated to the Primary Capital Account of the Limited Partner with respect to which such Clawback Reserve Account was established.

(v) The provisions of this Section 4.04(d) shall not apply to the Primary Capital Account of any Class B Limited Partner. No Clawback Reserve Account shall be established under this Section 4.04(d) with respect to any Primary Capital Account of a Class B Limited Partner and all Incentive Allocations made with respect to any such Primary Capital Account shall be credited, at the General Partner's discretion, either to the Vested Capital Account or distributed to the General Partner.

(e) (i)There shall be established on the books of the Partnership for each Primary Capital Account a separate memorandum account (the "Loss Recovery Account"), the opening balance of which shall be zero. At the end of each fiscal year or at such other date during a fiscal year as the calculation of an Incentive Allocation is required to be made for such Partner under this Sec. 4.04, the balance of the Loss Recovery Account shall be adjusted as follows: first, if there has been, in the aggregate, Net Decrease with respect to such Primary Capital Account since the immediately preceding date as of which an Incentive Allocation was made (or if no Incentive Allocation has yet been made with respect to such Primary Capital Account, since the date of the establishment of such Primary Capital Account) an amount equal to such excess Net Decrease shall increase the Loss Recovery Account, and, second, if there has been, in the aggregate, Net Increase with respect to such Primary Capital Account since the immediately preceding date as of which an Incentive Allocation was made (or if no Incentive Allocation has yet been made with respect to such Primary Capital Account, since the establishment of such Primary Capital Account), an amount equal to such Net Increase, before any Incentive Allocation to the General Partner, shall reduce the balance in such Loss Recovery Account, but not beyond zero. In addition, the balance in such Loss Recovery Account shall be reduced, but not beyond zero, at the time any such Clawback reallocation is made by an amount equal to the amount of Net Increase which gave rise to an amount of Incentive Allocation which gave rise to the amount of any Clawback reallocated at such time to the associated Limited Partner Primary Capital Account.

(ii) In the event that there is a withdrawal by a Limited Partner from a Primary Capital Account with a balance in its Loss Recovery Account, the balance in such Loss Recovery Account shall be reduced as of the beginning of the next Accounting Period by an amount equal to the product obtained by multiplying the balance in such Loss Recovery Account by a fraction, the numerator of which is the amount of the withdrawal made by such Limited Partner as of the last day of the prior Accounting Period and the denominator of which is the balance in such Primary Capital Account on the last day of the prior Accounting

Period (prior to the withdrawal made by the Limited Partner as of the last day of the Accounting Period).

(f) In the event that the Partnership is dissolved otherwise than at the end of a fiscal year, or the effective date of the removal of the General Partner pursuant to Sec. 3.09 or the withdrawal of a Primary Capital Account is other than fiscal year end, then for purposes of determining the Incentive Allocation and a Clawback, if any, with respect to Limited Partner Primary Capital Accounts, PCA Net Capital Appreciation or Depreciation (and Net Increase or Decrease) shall be determined through the dissolution or removal date (for all Limited Partners) or withdrawal date (for the withdrawing Partner only) as if such date was the end of a fiscal year. In the event of such a removal of the General Partner pursuant to Sec. 3.09 or a withdrawal pursuant to Section 5.03 (x) or (y) (iii) or (iv), the percentage on which the Incentive Allocation to the General Partner with respect to the period ending on the effective date of such removal (with respect to all Primary Capital Accounts) or withdrawal (with respect to the withdrawn Primary Capital Account) shall equal the then percentage on which the Incentive Allocation is based with respect to such Primary Capital Account multiplied by a fraction, the numerator of which is 1 and the denominator of which is the number of years in the then current Lock-Up Period applicable to such Primary Capital Account, and the entire amount so allocated will be credited to the General Partner's Vested Incentive Account.

(g) If, at the time of making any proposed investment that is not a Side-Pocket Investment, the aggregate Value of a Primary Capital Account's participation in all investments (including those held in a Side-Pocket Sub-Account and including the proposed investment) in the Securities of the issuer of the proposed investment or of its Control Affiliates would exceed such Primary Capital Account's Concentration Limit, or in the event the General Partner, in its sole discretion, at any time determines (including, but not limited to, in order to comply with the Rules of Fair Practice of the NASD relating to the allocation of "hot issues") that a Partner will not participate in the Partnership's investment in any Security (other than a Side-Pocket Investment), such Partner's PCA Participating Percentage with respect thereto shall be zero. The interests in such Security shall be set forth in a separate memorandum account in which only the Partners having an interest in such Security (any such Partner, for such Security, being referred to as an "Unrestricted Partner") shall have an interest (pro rata in accordance with PCA Participating Percentages) and the PCA Net Capital Appreciation or Depreciation for each such memorandum account shall be separately calculated. For purposes of determining whether a proposed investment would cause the aggregate Value of a Primary Capital Account's participation in all investments (as described above) in the Securities of the issuer of the proposed investment or its Control Affiliates to exceed such Primary Capital Account's Concentration Limit, the Value of short positions in the Securities of the issuer of the proposed investments and its Control Affiliates will not be aggregated with the Value of long positions in the Securities of such Persons.

(h) At the end of each Accounting Period during which a memorandum account created pursuant to Sec. 4.04(g) (a "Memorandum Account") was in existence, the Primary Capital Account of each Unrestricted Partner with respect thereto may, in the discretion of the General Partner, be debited pro rata in accordance with the Primary Capital Accounts of all Unrestricted Partners with respect thereto at the opening of such Accounting Period in an amount equal to the interest that would have accrued on the amount used to purchase the

securities attributable to the Memorandum Account (the "Purchase Price") for the period such securities were in the Memorandum Account had the Purchase Price earned interest for such period at the rate per annum being paid by the Partnership from time to time during the applicable Accounting Period for borrowed funds, or, if funds have not been borrowed by the Partnership during such Accounting Period, at the interest rate per annum that the General Partner determines, in its sole discretion, would have been paid if funds had been borrowed by the Partnership during such Accounting Period. The amount so debited shall then be credited to the Primary Capital Accounts of all of the Partners pro rata in accordance with their Primary Capital Accounts as of the opening of the Accounting Period.

(i) Notwithstanding anything herein to the contrary, if the General Partner is removed for cause pursuant to Sec. 3.09 and, at the time of such removal, the Partnership maintains any Side-Pocket Sub-Accounts, the General Partner will receive a portion of the Incentive Allocation with respect to each Primary Capital Account in the year any SPA Net Realized Income is received with respect to the investment held in such Side-Pocket Sub-Account, such portion to equal 1/6 of the Incentive Allocation attributable to such SPA Net Realized Income (based on the portion of the Net Increase attributable to such SPA Net Realized Income). Any amount allocated to the General Partner pursuant to this section shall not be subject to any restrictions on withdrawal.

Sec. 4.05 Amendment of Incentive Allocation. The General Partner shall have the right to amend, without the consent of the Limited Partners, Sec. 4.04 of this Agreement so that the Incentive Allocation therein provided conforms to any applicable requirements of the Securities and Exchange Commission and other regulatory authorities; provided, however, that no such amendment shall increase the Incentive Allocation for any existing Limited Partner as so amended to more than the amount that would be allocable prior to giving effect to such amendment without the consent of each Limited Partner that would be subject to such increase.

Sec. 4.06 Side-Pocket Accounts; Side-Pocket Sub-Accounts; Remaining Side-Pocket Investments.

(a) The Partnership shall maintain a separate memorandum account on its books for each Security position which is designated by the General Partner to be held in a Side-Pocket Account. All Primary Capital Account Sub-Accounts (other than the Primary Capital Account Sub-Accounts of an Excused Partner and any Clawback Reserve Account) shall participate therein through separate Side-Pocket Sub-Accounts in proportion to their respective Unused Amount Eligible for Side-Pocket Investments (adjusted as described below) at the time such Side-Pocket Account is established; provided, however, that if the participation by a Primary Capital Account Sub-Account in accordance with its Unused Amount Eligible for Side-Pocket Investments would, at the time of investment, cause the aggregate Value of the Primary Capital Account's participation in investments (either directly or through Side-Pocket Accounts) in Securities of the issuer of the Side-Pocket Investment or of Control Affiliates of such issuer to exceed the Concentration Limit, then, for purposes of such Side-Pocket Investment only, such Primary Capital Account Sub-Account's Unused Amount Eligible for Side-Pocket Investments shall be deemed reduced to the maximum amount that would not cause the Value of all such investments to exceed the Concentration Limit. No Primary Capital

Account Sub-Account established after the establishment of a Side-Pocket Account will be allocated to such Side-Pocket Account.

(b) In the event the Partnership makes a Follow-Up Investment with respect to a Side-Pocket Investment, the Participating Partners shall share in such Follow-Up Investment in proportion to their Side-Pocket Participating Percentages in the Related Side-Pocket Account and the cost of funding such Follow-Up Investment shall be debited to the Primary Capital Account Sub-Accounts (from which such Side-Pocket Investments were funded) of such Participating Partners. If, for any reason, such Primary Capital Account Sub-Accounts are unable to participate in such investment in proportion to their Side-Pocket Participating Percentages in the related Side-Pocket Account, such investment shall not be designated as a Follow-Up Investment but shall be deemed and treated as a new Side-Pocket Investment. In its discretion, the General Partner need not designate as a "Follow-Up Investment" an additional investment in the same or similar opportunity as the investment for which a Side-Pocket Account has been established (and such investment may, in the discretion of the General Partner, be designated as a new Side-Pocket Investment).

(c) Upon any Deemed Realization, sale, distribution to Partners or other disposition of all or a portion of an investment maintained in a Side-Pocket Account (or any receipt of income with respect to such investment), the Value of the investment (in the case of a Deemed Realization or distribution) or the proceeds thereof (or any dividend, interest, or other distribution with respect thereto) shall be transferred from the Side-Pocket Account to the related Primary Capital Account Sub-Accounts of each of the Participating Partners in accordance with their respective Side-Pocket Participating Percentages; provided, however, that the Value or proceeds of any Remaining Side-Pocket Investment shall be applied as described in Sec. 4.06(d), rather than as described in this Sec. 4.06(c).

(d) (i) Subject to the following provisions of this Sec. 4.06(d), upon any Deemed Realization, sale, distribution to Partners or other disposition of all or a portion of any Remaining Side-Pocket Investment resulting in SPA Net Realized Income in a Remaining Side Pocket Sub-Account, an incentive allocation (a "Remaining Side-Pocket Incentive Allocation") shall be made to the General Partner with respect thereto. Such Remaining Side-Pocket Incentive Allocation shall equal 20% of the excess of (A) the aggregate SPA Net Realized Income with respect to the Remaining Side-Pocket Sub-Account over (B) any Remaining Side-Pocket Management Fee with respect thereto; provided, however, that the SPA Net Realized Income upon which the calculation of the Remaining Side-Pocket Incentive Allocation is based shall be reduced (but not beyond zero) by the balance existing in the RSP Loss Recovery Account (prior to giving effect to any decrease pursuant to clause (y) of the definition thereof) with respect to the Limited Partner for which such Remaining Side-Pocket Sub-Account was maintained.

(ii) No Remaining Side-Pocket Incentive Allocation shall be made with respect to a Remaining Side-Pocket Investment held in a particular Remaining Side-Pocket Sub-Account established with respect to a Primary Capital Account Sub-Account of a Class A Limited Partner at any time unless the SPA Net Realized Income at such time in respect of such Remaining Side-Pocket Investment (and any other SPA Net Realized Income in respect of any Remaining Side-Pocket Investment with respect to the Primary Capital Account

Sub-Account with respect to which such Remaining Side-Pocket Sub-Account was maintained) yields a rate of return in excess of the sum of (w) the Priority Return Deficit, (x) the Remaining Side-Pocket Priority Return with respect to such Remaining Side-Pocket Investment, (y) the Remaining Side-Pocket Priority Return with respect to any other Remaining Side-Pocket Investment with respect to such Primary Capital Account Sub-Account theretofore sold, Deemed Realized, distributed or otherwise disposed of (in whole or in part) and (z) the Remaining Side-Pocket Priority Return with respect to any other such Remaining Side-Pocket Investment accrued through the date such SPA Net Realized Income is received. A Remaining Side-Pocket Incentive Allocation shall only be made to the extent that it does not reduce the SPA Net Realized Income to an amount less than such return. If, as a result of the application of the preceding sentence, the General Partner is allocated less than the aggregate Remaining Side-Pocket Incentive Allocation than would otherwise be due, future Remaining Side-Pocket Incentive Allocations with respect to such withdrawn Primary Capital Account Sub-Account shall be increased by the amount of such deficiency (provided that such increase does not result in the Partner with respect to which such withdrawn Primary Capital Account Sub-Account was maintained receiving less than the amount specified in the preceding sentence). The provisions of this Sec. 4.06(d)(ii) shall not apply to Class B Limited Partners.

(iii) If at the time any Remaining Side-Pocket Incentive Allocation is made, (x) the aggregate Carrying Value (without giving effect to any Write Down) of all Remaining Side-Pocket Investments at such time with respect to the withdrawn Primary Capital Account Sub-Account exceeds (y) the amount by which (1) aggregate distributions to the Partner with respect to which such withdrawn Primary Capital Account Sub-Account was maintained from all Remaining Side-Pocket Sub-Accounts established with respect to such withdrawn Primary Capital Account Sub-Account exceed (2) the aggregate initial Carrying Value of the related Side-Pocket Investments and the Remaining Side Pocket Priority Return thereon (such amount being the "RSP Capital Deficiency"), then the General Partner shall deposit into an escrow account established with respect to such Partner (the "RSP Escrow") an amount of cash equal to the lesser of (a) the amount of such Remaining Side-Pocket Incentive Allocation less any GP Tax Distribution with respect thereto and (b) the amount of such RSP Capital Deficiency. Any such amounts so deposited shall be deemed a related Clawback Reserve Account. The provisions of this Sec. 4.06(d)(iii) shall not apply to Class B Limited Partners.

(iv) If the balance of the RSP Escrow with respect to a Partner at any time exceeds the amount of the RSP Capital Deficiency at such time, an amount equal to such excess shall be released from the RSP Escrow (and debited to the related Clawback Reserve Account) and distributed to the General Partner or, if not distributed, debited to the related Clawback Reserve Account and credited to the Vested Incentive Account. Upon the sale, Deemed Realization, distribution to Partners or other disposition of the final Remaining Side-Pocket Investment with respect to such withdrawn Primary Capital Account Sub-Account, (x) an amount equal to the lesser of the balance of the RSP Escrow and the RSP Capital Deficiency shall be promptly distributed from the RSP Escrow to the Partner with respect to which such Primary Capital Account Sub-Account was maintained and (y) the balance, if any, of the RSP Escrow shall at the General Partner's election, either be distributed to the General Partner or credited to the Vested Incentive Account. The provisions of this Sec. 4.06(d)(iv) shall not apply to Class B Limited Partners.

Sec. 4.07 Valuation of Assets.

(a) (i) Securities that are listed on a national securities exchange shall be valued at their last sales prices on the date of determination on the largest securities exchange (by trading volume in such Security) on which such securities shall have traded on such date, or if trading in such Securities on the largest securities exchange (by trading volume in such Security) on which such Securities shall have traded on such date was reported on the consolidated tape, their last sales price on the consolidated tape (or, in the event that the date of determination is not a date upon which a securities exchange was open for trading, on the last prior date on which such securities exchange was so open not more than 10 days prior to the date of determination). If no such sales of such Securities occurred on either of the foregoing dates, such Securities shall be valued at the "bid" price for long positions and "asked" price for short positions on the largest securities exchange (by trading volume in such Security) on which such Securities are traded, on the date of determination, or, if "bid" prices for long positions and "asked" prices for short positions in such Securities on the largest securities exchange (by trading volume in such Security) on which such Securities shall have traded on such date was reported on the consolidated tape, the "bid" price for long positions and "asked" price for short positions on the consolidated tape (or, if the date of determination is not a date upon which such securities exchange was open for trading, on the last prior date on which such a securities exchange was so open not more than 10 days prior to the date of determination). Securities that are not listed on an exchange but are traded over-the-counter shall be valued at representative "bid" quotations if held long by the Partnership and representative "asked" quotations if held short by the Partnership, unless included in the NASDAQ National Market System, in which case they shall be valued based upon their last sales prices (if such prices are available). Options that are listed on a securities exchange shall be valued at their last sales prices on the date of determination on the largest securities exchange (by trading volume) on which such options shall have traded on such date; provided, that, if the last sales prices of such options do not fall between the last "bid" and "asked" prices for such options on such date, then the General Partner shall value such options at the mean between the last "bid" and "asked" prices for such options on such date. Securities not denominated in U.S. dollars shall be translated into U.S. dollars at prevailing exchange rates as the General Partner may reasonably determine.

(ii) Side-Pocket Investments will be valued at their Carrying Value.

(iii) Securities for which no such market prices are available shall be valued at such value as the General Partner may reasonably determine.

(b) All other assets of the Partnership (except goodwill, which shall not be taken into account) shall be assigned such value as the General Partner may reasonably determine.

(c) If the General Partner determines that the valuation of any Securities pursuant to Sec. 4.07(a)(i), or the valuation pursuant to Sec. 4.07(a)(ii) of any Side-Pocket Investment Deemed Realized, does not fairly represent market value, the General Partner may value such Securities as it reasonably determines and shall set forth the basis of such valuation in writing in the Partnership's records.

(d) All values assigned to Securities and other assets by the General Partner pursuant to this Sec. 4.07 shall be final and conclusive as to all of the Partners.

Sec. 4.08 Liabilities. Liabilities shall be determined using generally accepted accounting principles, as a guideline, and the General Partner in its discretion may provide reserves for estimated accrued expenses, liabilities or contingencies, including general reserves for unspecified contingencies (even if such reserves are not in accordance with generally accepted accounting principles). Any such reserve shall be deemed an expense of the Partnership in the Accounting Period in which such reserve is established.

Sec. 4.09 Allocation for Tax Purposes. For each fiscal year, items of income, deduction, gain, loss or credit shall be allocated for income tax purposes among the Partners in such manner as to reflect equitably amounts credited or debited to each Partner's Total Capital Account for the current and prior fiscal year (or relevant portions thereof). Allocations under this Sec. 4.09 shall be made pursuant to the principles of Sections 704(b) and 704(c) of the Code, and in conformity with Regulations Sections 1.704-1(b)(2)(iv)(f), 1.704-1(b)(4)(i) and 1.704-3(e), as applicable, or the successor provisions to such Section and Regulations. Notwithstanding anything to the contrary in this Agreement, there shall be allocated to the Partners such gains or income as shall be necessary to satisfy the "qualified income offset" requirement of Regulations Section 1.704-1(b)(2)(ii)(d).

If the Partnership realizes capital gains (including short-term capital gains) for Federal income tax purposes ("gains") for any fiscal year during or as of the end of which one or more Positive Basis Partners withdraw from the Partnership pursuant to Articles V or VII, the General Partner may elect to allocate such gains as follows: (i) to allocate such gains among such Positive Basis Partners, pro rata in proportion to the respective Positive Basis of each such Positive Basis Partner, until either the full amount of such gains shall have been so allocated or the Positive Basis of each such Positive Basis Partner shall have been eliminated, and (ii) to allocate any gains not so allocated to Positive Basis Partners to the other Partners in such manner as shall equitably reflect the amounts credited to such Partners' Total Capital Accounts pursuant to Secs. 4.04 and 4.06.

As used herein, (i) the term "Positive Basis" shall mean, with respect to any Partner and as of any time of calculation, the amount by which its interest in the Partnership (the amount that such Partner (or former Partner) would have received (or in fact did receive) pursuant to the terms and provisions of Article V upon withdrawal from the Partnership as of the end of such Accounting Period but without taking into account such Partner's Side-Pocket Sub-Accounts, if any) as of such time exceeds its "adjusted tax basis," for Federal income tax purposes, in its interest in the Partnership as of such time (exclusive of its allocable share, as determined by the General Partner in its discretion, of the Partnership's tax basis in security positions held in Side Pocket Accounts, if any, and determined without regard to any adjustments made to such "adjusted tax basis" by reason of any transfer or assignment of such interest, including by reason of death and without regard to such Partner's share of the liabilities of the Partnership under Section 752 of the Code), and (ii) the term "Positive Basis Partner" shall mean any Partner who withdraws from the Partnership and who has Positive Basis as of the effective date of its withdrawal, but such Partner shall cease to be a Positive Basis Partner at

such time as he or it shall have received allocations pursuant to clause (i) of the preceding sentence equal to its Positive Basis as of the effective date of its withdrawal.

Sec. 4.10 Adjustments to Take Account of Interim Year Events and Capital Account Reallocations. If the Code or the Regulations require a withholding or other adjustment to the Primary Capital Account of a Partner or some other interim year event or Primary Capital Account reallocation under this Agreement occurs, necessitating in the General Partner's judgment an equitable adjustment, the General Partner shall make such adjustments in the determination and allocation among the Partners of PCA Net Capital Appreciation, PCA Net Capital Depreciation, SPA Net Realized Income or Loss, Primary Capital Accounts, PCA Participating Percentages, Incentive Allocation, Management Fee, Clawback, Priority Return, Loss Recovery Accounts, Side-Pocket Participating Percentages, items of income, deduction, gain, loss, credit or withholding for tax purposes, accounting procedures or such other financial or tax items as shall equitably take into account such interim year event, Primary Capital Account reallocation and applicable provisions of law, and the determination thereof by the General Partner shall be final and conclusive as to all of the Partners.

ARTICLE V

Withdrawals and Distributions; Death and Disability

Sec. 5.01 Withdrawals and Distributions in General. No Partner shall be entitled (i) to receive distributions from the Partnership, except as provided in Secs. 5.06 and 5.07; or (ii) to withdraw any amount from a Primary Capital Account, except as provided in Secs. 5.02 and 5.03 or upon the consent of, and upon such terms as may be determined by, the General Partner in its discretion.

Sec. 5.02 Withdrawals.

(a) A Limited Partner may not withdraw any or all of the balance in any of its Primary Capital Account Sub-Accounts (except pursuant to Sec. 5.03) until the end of the current Lock-Up Period with respect thereto; provided, however, that a Limited Partner shall be permitted to receive Tax Distributions pursuant to Sec. 5.07. A Limited Partner shall have the right, at the end of a Primary Capital Account Sub-Account's Lock-Up Period, to withdraw all or any portion of the balance in such Primary Capital Account Sub-Account as of the end of the fiscal year then ended (the "Withdrawal Date"); provided, however, that the Limited Partner must give written notice thereof to the General Partner at least 90 days prior to the Withdrawal Date. Payment of the amount withdrawn shall be made within 30 days of the Withdrawal Date; provided, however, that if a Limited Partner elects to withdraw more than 90% of its Primary Capital Account, the Partnership shall pay the Limited Partner an amount equal to at least 90% of its estimated withdrawal proceeds (on the basis of unaudited data) as of the Withdrawal Date within 30 days after the Withdrawal Date. The Partnership will pay such Partner interest on the balance of its withdrawal from the Withdrawal Date at the Priority Rate, and such balance, together with all interest earned thereon, shall be paid (subject to audit adjustments) within 30 days after completion of the audit of the Partnership's books for the year in which such withdrawal occurs. Capital shall be withdrawn from a Limited Partner's Primary Capital

Account Sub-Accounts in the order in which the Capital Contributions forming the basis of such Primary Capital Account Sub-Accounts were made.

(b) Notwithstanding the foregoing, in the event that withdrawal requests with respect to any Withdrawal Date would give rise to withdrawal proceeds being payable by the Partnership in an amount that exceeds 10% of the net asset value of the Partnership immediately preceding such Withdrawal Date, then the General Partner may, in its discretion, limit withdrawals as described in the remainder of this Sec. 5.02(b). The General Partner may so limit withdrawals by reducing pro rata the amount of withdrawal requests by Consenting Limited Partners and Limited Partners admitted to the Partnership on or after March 1, 2002 in the proportion that (x) the amount that any such Limited Partner requests to be withdrawn on such Withdrawal Date has to (y) the amount that all such Limited Partners request to be withdrawn on such Withdrawal Date, until the total amount of withdrawal proceeds payable by the Partnership with respect to such Withdrawal Date is less than or equal to 10% of the net asset value of the Partnership immediately preceding such Withdrawal Date or, if such result is not possible, so that such percentage is as close to 10% as can be achieved by limiting the amount of such withdrawals to zero. Any such withdrawal requests that are limited in the manner described in the preceding sentence shall be satisfied on the following quarter-end, subject to the same limitation; provided, however, that if any such Limited Partner's withdrawal request is so limited on three consecutive quarter-ends, then such Limited Partner's withdrawal request shall not be subject to any further limitation pursuant to this Sec. 5.02(b), and shall be fully paid on the next succeeding quarter-end. Any capital the withdrawal of which is limited pursuant to this Sec. 5.02(b) shall remain invested in the Partnership, and shall remain subject to adjustment for capital appreciation and capital depreciation, until withdrawal.

(c) The General Partner may make withdrawals from any of its Primary Capital Accounts, other than its Vested Incentive Account and any Clawback Reserve Account, only at the expiration of the applicable Lock-Up Period (subject to the remainder of this Sec. 5.02(c)). The General Partner may make withdrawals from its Vested Incentive Account at the end of any fiscal year in any amount. The General Partner may not make any withdrawal from its Clawback Reserve Account. The General Partner may receive a Tax Distribution from each of its Primary Capital Accounts pursuant to Sec. 5.07.

(d) Withholding (i) Notwithstanding any provision of this Agreement to the contrary, the General Partner shall withhold and pay over to the Internal Revenue Service, pursuant to Sections 1441, 1442, 1445 or 1446 of the Code, or any successor provisions, at such times as required by such Sections, such amounts as the Partnership is required to withhold under such Sections, as from time to time are in effect. To the extent that a foreign Limited Partner claims to be entitled to a reduced rate of, or exemption from, U.S. withholding tax pursuant to an applicable income tax treaty, or otherwise, the foreign Limited Partner shall furnish the General Partner with such information and forms as such foreign Limited Partner may be required to complete where necessary to comply with any and all laws and regulations governing the obligations of withholding tax agents. Each foreign Limited Partner represents and warrants that any such information and forms furnished by such foreign Limited Partner shall be true and accurate and agrees to indemnify the Partnership and each of the Limited Partners from any and all damages, costs and expenses resulting from the filing of inaccurate or incomplete information or forms relating to such withholding taxes.

(ii) Any amount of withholding taxes withheld and paid over by the General Partner with respect to a foreign Limited Partner's distributive share of the Partnership's gross income, income or gain shall be treated as a distribution to such foreign Limited Partner and shall be charged against a Primary Capital Account of such foreign Limited Partner (and if there is no Primary Capital Account or the balance in the Primary Capital Account is less than such amount, then such foreign Limited Partner shall be obligated to contribute such amount to the Partnership and if such amount is not contributed, the proceeds of any Side-Pocket Sub-Account of such Partner shall be reduced by such amount).

Sec. 5.03 Special Withdrawal Right. Any Limited Partner may withdraw from the Partnership if (x) the General Partner is removed pursuant to Sec. 3.09 and a replacement General Partner has been designated pursuant to such section or (y) the Managing Member (i) dies, (ii) becomes incompetent or disabled (i.e., unable, by reason of illness or injury, to perform his functions as managing member of the General Partner for 90 consecutive days), (iii) ceases to Control the General Partner or (iv) ceases to spend a substantial portion of his business time on the activities of the General Partner. Such special withdrawal right is exercisable by delivery of a written withdrawal notice to the Partnership no later than the 30th day (the "Notice Date") after the Limited Partners are notified of any of the events described in the previous sentence (which notification shall be given promptly by the General Partner), and such withdrawal shall be effective at the end of the first full calendar month after the Notice Date. A Limited Partner exercising such special withdrawal right will be paid 90% of the aggregate balance of its Primary Capital Account(s) (determined as of the withdrawal date) within 30 days of the withdrawal date. The balance of such Limited Partner's Primary Capital Account(s) will be paid (subject to audit adjustments and with interest as provided in Sec. 5.02(a)) within 30 days after completion of a special audit of the Partnership as of the withdrawal date. Notwithstanding the foregoing, the General Partner may delay all or any portion of a distribution in respect of a withdrawal pursuant to this Sec. 5.03 in order to effect an orderly liquidation of the Partnership's assets. The withdrawing Partner's interest in any Side-Pocket Account will be retained and distributed as described in Sec. 5.08.

Sec. 5.04 Required Withdrawals. The General Partner may, in its sole discretion, terminate the interest of any Limited Partner in the Partnership at the end of any fiscal quarter upon at least 30 days' prior written notice. In addition, the General Partner may terminate the interest of any Limited Partner in the Partnership immediately if the General Partner determines that such Partner's continued participation in the Partnership would cause the Partnership to fail to qualify for the safe harbor from publicly traded partnership status set forth in Regulations Section 1.7704-1(h). The Partner receiving such notice shall be treated for all purposes and in all respects as a Partner who has given notice of withdrawal of all of its Primary Capital Account under Sec 5.02.

Sec. 5.05 Death, Disability, etc. of Limited Partners.

(a) The death, disability, incapacity, adjudication of incompetency, termination, bankruptcy, insolvency or dissolution of a Limited Partner shall not dissolve the Partnership. The legal representatives of a Limited Partner shall succeed as assignee to the Limited Partner's interest in the Partnership upon the death, disability, incapacity, incompetency, termination, bankruptcy, insolvency or dissolution of such Limited Partner, but

shall not be admitted as a substituted partner without the consent of the General Partner, in its sole discretion.

(b) In the event of the death, disability, incapacity, incompetency, termination, bankruptcy, insolvency or dissolution of a Limited Partner, unless the legal representatives of such Limited Partner notify the General Partner prior to the end of the Lock-Up Period during which such event occurred that they do not wish to make such withdrawal, such Limited Partner shall be deemed to have given a timely notice of the complete withdrawal of the balance of its Primary Capital Account(s) pursuant to Sec. 5.02 and each Primary Capital Account of such Limited Partner shall continue at the risk of the Partnership business until the last day of the applicable Lock-Up Period or the earlier termination of the Partnership. If the Partnership is continued after such fiscal year, payment of the withdrawing Limited Partner's Primary Capital Account shall be made on the same terms, and shall be subject to the same conditions, as set forth in Sec. 5.02(a) in respect of a withdrawal by a Limited Partner of all of its Primary Capital Account.

Sec. 5.06 Distributions.

(a) The General Partner may, in its discretion, make distributions in cash or in kind (i) in connection with a withdrawal of funds from the Partnership by a Partner and (ii) at any time to all of the Partners on a pro rata basis in accordance with the Partners' PCA Participating Percentages (or in the case of a distribution-in-kind of a Side-Pocket Investment, pro rata in accordance with the Side-Pocket Participating Percentages therein). Notwithstanding the foregoing, prior to the winding-up and liquidation of the Partnership, any in-kind distribution of Securities by the General Partner pursuant to this Sec. 5.06 shall include only Securities which the General Partner reasonably believes are listed or quoted on a United States national securities exchange or quoted on a United States national automated inter-dealer quotation system.

(b) If a distribution is made in kind (other than a distribution of a Side-Pocket Investment), immediately prior to such distribution, the General Partner shall determine the Value of the property distributed and adjust the Primary Capital Accounts of all Partners upwards or downwards to reflect the difference between the book value and the Value thereof, as if such gain or loss had been recognized upon an actual sale of such property and allocated pursuant to Sec. 4.04. Each such distribution shall reduce the Primary Capital Account to the distributee Partner by the Value thereof. If a Side-Pocket Investment is distributed in kind, it shall first be Deemed Realized (and the Primary Capital Accounts of the Participating Partners shall be adjusted pursuant to Sec. 4.06) and then distributed to the Participating Partners (resulting in the additional adjustments described in the preceding sentence).

(c) The provisions of this Sec. 5.06 shall apply to distributions made in connection with any withdrawals under Articles V and VII.

(d) The General Partner shall give at least 15 days prior written notice to each Limited Partner that is a BHC Limited Partner of any proposal to distribute property in kind to such Limited Partner and the proposed date of such distribution, and shall not make any such distribution in kind to the extent that such Limited Partner advises the General Partner at

least five days prior to the date set forth in such notice for such distribution that such distribution in kind could reasonably be expected to cause it to violate the Bank Holding Company Act of 1956, as amended (the "BHC Act").

Sec. 5.07 Tax Distributions. Each Partner shall have the right to receive, with respect to each fiscal year, a Tax Distribution from each of its Primary Capital Accounts. If a Limited Partner desires to receive its Tax Distribution with respect to a fiscal year, such Partner shall deliver to the General Partner, no later than 60 days before the end of such fiscal year, a notice (a "Tax Distribution Notice") indicating that such Partner wishes to receive a Tax Distribution. The Partnership shall distribute, on or prior to March 31 of the following year, to the General Partner (if it elects to receive a Tax Distribution) and to each Limited Partner who timely delivers to the General Partner a Tax Distribution Notice, an amount of cash equal to such Partner's Tax Distribution. Any Tax Distribution shall be effective as of such March 31. Any capital distributed to a Limited Partner pursuant to this Sec. 5.07 shall be withdrawn from such Limited Partner's Primary Capital Account Sub-Accounts in the order in which the Capital Contributions forming the basis of such Primary Capital Account Sub-Accounts were made.

Sec. 5.08 Remaining Side-Pocket Investments. If a Limited Partner that has withdrawn its entire balance in its Primary Capital Account has one or more Remaining Side-Pocket Sub-Accounts, within 30 days following the end of the Accounting Period in which SPA Net Realized Income or Loss with respect to the related Side-Pocket Investment occurs, the proceeds of such Side-Pocket Investment (or the portion thereof distributed in the case of a Deemed Realization) multiplied by the applicable Side-Pocket Participating Percentage, reduced by any Incentive Allocation (as determined pursuant to Sec. 4.06(e)) and Remaining Side-Pocket Management Fee (as determined pursuant to Sec. 3.07(c) and, in the case of Class A Limited Partners, with interest at the Priority Rate) in respect thereof, will be distributed to the withdrawn Partner.

Sec. 5.09 Effective Date of Withdrawal. Unless otherwise specified herein, the effective date of a Limited Partner's withdrawal shall mean: (i) the Withdrawal Date in the case of a withdrawal pursuant to a withdrawal under Sec. 5.02 or the last day of the first full month after the Notice Date in the case of a withdrawal pursuant to Sec. 5.03, or (ii) the date determined by the General Partner if such Limited Partner shall be required to withdraw from the Partnership pursuant to Sec. 5.04. In the event the effective date of a Partner's withdrawal shall be a date other than the last day of a fiscal year of the Partnership, the Primary Capital Account of the withdrawing Partner shall be adjusted pursuant to Sec. 4.04 as if the effective date of such Partner's withdrawal was the last day of a fiscal year.

Sec. 5.10 Limitations on Withdrawals. The right of any Partner or its legal representatives to withdraw any amount from its Primary Capital Account and to have distributed to it any such amount (or any portion thereof) pursuant to this Article V is subject to the provision by the General Partner for all Partnership liabilities in accordance with the Act and for reserves for contingencies and estimated accrued expenses all in accordance with Sec. 4.08. In addition, no withdrawal shall be permitted which would result in a Primary Capital Account having a negative balance.

Sec. 5.11 Conversion of Class A Limited Partners. Each Class A Limited Partner may elect, at the end of the then-applicable Lock-Up Period with respect to such Limited Partner, to be treated as a Class B Limited Partner immediately after the end of such Lock-Up Period by providing written notice thereof to the General Partner at least 90 days prior to the end of the then applicable Lock-Up Period with respect to such Limited Partner.

Sec. 5.12 Withdrawals by BHC Limited Partners. If at any time, as a result of proposed withdrawals by or distributions to other Partners, or for any other reason, the General Partner expects a BHC Limited Partner's interest in the Partnership to exceed 24.99% of the aggregate interests in the Partnership of all the Partners, the General Partner shall immediately notify such BHC Limited Partner and permit such BHC Limited Partner to immediately withdraw so much of its capital in the Partnership as shall be necessary to maintain such BHC Limited Partner's total investment in the Partnership at a level below 25% of the aggregate interests in the Partnership of all the Partners.

ARTICLE VI

Admission of New Limited Partners

Sec. 6.01 New Limited Partners. Subject to the condition that each new Limited Partner shall execute an appropriate supplement to this Agreement pursuant to which such Partner agrees to be bound by the terms and provisions hereof, the General Partner may, in its sole discretion, admit one or more additional Limited Partners. Admission of a new Limited Partner shall not be a cause for dissolution of the Partnership.

ARTICLE VII

Duration and Termination of Partnership

Sec. 7.01 Duration. The Partnership shall continue until the earlier of (i) December 31, 2050, (ii) the insolvency, bankruptcy, termination or dissolution of the General Partner, (iii) the removal of the General Partner pursuant to Sec. 3.09 unless a replacement General Partner is designated pursuant to such section, or (iv) at any time after December 31, 2001, if the General Partner has determined, in its sole discretion, to terminate the Partnership at such time.

Sec. 7.02 Termination. Upon the occurrence of an event described in Sec. 7.01, the General Partner (or in the case of the events described in Sec. 7.01(ii) or (iii), a liquidator appointed by Limited Partners whose aggregate Total Capital Account balances exceed 50% of the Total Capital Account balances of all Limited Partners) shall wind up the business of the Partnership within a period of one year and shall make distributions out of Partnership assets, in the following manner and order:

(a) to creditors, including Partners who are creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the Partnership (whether by payment or by establishment of reserves); and

(b) to the Partners in the proportion of their respective Primary Capital Account balances; provided, however, that proceeds of a Side-Pocket Investment will be distributed to Partners in accordance with their respective Side-Pocket Participating Percentages related thereto and Side-Pocket Investments may be transferred to and, continue to be held in, a liquidating trust or other vehicle until liquidated.

In the event that the Partnership is terminated on a date other than the last day of a fiscal year, the date of such termination shall be deemed to be the last day of a fiscal year for purposes of adjusting the Primary Capital Accounts of the Partners pursuant to Sec. 4.04.

ARTICLE VIII

Tax Returns; Reports to Partners

Sec. 8.01 Independent Auditors. The books and records of the Partnership shall be audited by such accountants as are selected by the General Partner, as of the end of each fiscal year of the Partnership.

Sec. 8.02 Filing of Tax Returns. The General Partner or its designated agent shall prepare and file, or cause the accountants of the Partnership to prepare and file, a Federal information tax return in compliance with Section 6031 of the Code, and any required state and local income tax and information returns for each tax year of the Partnership.

Sec. 8.03 Tax Matters Partner. The General Partner shall be designated on the Partnership's annual Federal information tax return, and have full powers and responsibilities, as the Tax Matters Partner of the Partnership for purposes of Section 6231(a)(7) of the Code. Each Person that holds or controls an interest as a Limited Partner on behalf of, or for the benefit of, another Person or Persons (for purposes of this Sec. 8.03, called a "Pass-Thru Partner"), or which Pass-Thru Partner is beneficially owned (directly or indirectly) by another Person or Persons shall, within 30 days following receipt from the Tax Matters Partner of any notice, demand, request for information or similar document, convey such notice or other document in writing to all holders of beneficial interests in the Partnership holding such interests through such Pass-Thru Partner. In the event the Partnership shall be the subject of an income tax audit by any Federal, state or local authority, to the extent the Partnership is treated as an entity for purposes of such audit, including administrative settlement and judicial review, the Tax Matters Partner shall be authorized to act for, and its decision shall be final and binding upon, the Partnership and each Partner thereof. All expenses incurred in connection with any such audit, investigation, settlement or review shall be borne by the Partnership.

Sec. 8.04 Reports to Current Partners. Within 90 days after the end of each fiscal year or as soon thereafter as is reasonably possible, the Partnership shall prepare and mail to each Partner, together with the report thereon of the accountants selected by the General Partner, an audited financial report setting forth as of the end of such fiscal year:

(a) a statement of financial condition of the Partnership;

(b) a statement of net income of the Partnership;

(c) a statement of changes in Partners' capital;

(d) a statement of changes of the individual Partner's Primary Capital Account and Side Pocket Sub-Accounts showing PCA Net Capital Appreciation (or Depreciation), SPA Net Realized Income (or Loss), contributions, transfers and withdrawals; and

(e) the PCA Participating Percentage of such Partner and the Side-Pocket Participating Percentage of each Related Side-Pocket Sub-Account.

The Partnership will also provide periodic performance reports, no less frequently than quarterly, to the Limited Partners.

Sec. 8.05 Reports to Partners and Former Partners. Within 90 days of the end of each fiscal year or as soon thereafter as is reasonably possible, the Partnership shall prepare and mail, or cause its accountants to prepare and mail, to each Partner and, to the extent necessary, to each former Partner (or its legal representatives), a report setting forth in sufficient detail such information as shall enable such Partner or former Partner (or its legal representatives) to prepare their respective Federal income tax returns in accordance with the laws, rules and regulations then prevailing.

ARTICLE IX

Miscellaneous

Sec. 9.01 General. This Agreement: (i) shall be binding on the executors, administrators, estates, heirs, and legal successors and representatives of the Partners; and (ii) may be executed, through the use of separate signature pages or supplemental agreements in any number of counterparts with the same effect as if the parties executing such counterparts had all executed one counterpart; provided, however, that each such counterpart shall have been executed by the General Partner.

Sec. 9.02 Power of Attorney. Each of the Partners hereby appoints the General Partner as its true and lawful representative and attorney-in-fact, in its name, place and stead to make, execute, sign, acknowledge, swear to and file:

(a) a Certificate of Limited Partnership of the Partnership and any amendments thereto as may be required under the Act;

(b) any duly adopted amendment to this Agreement;

(c) any and all instruments, certificates, and other documents that may be deemed necessary or desirable to effect the winding-up and termination of the Partnership (including, but not limited to, a Certificate of Cancellation of the Certificate of Limited Partnership); and

(d) any business certificate, fictitious name certificate, amendment thereto, or other instrument or document of any kind necessary or desirable to accomplish the

business, purpose and objectives of the Partnership, or required by any applicable Federal, state or local law.

The power of attorney hereby granted by each of the Limited Partners is coupled with an interest, is irrevocable, and shall survive, and shall not be affected by, the subsequent death, disability, incapacity, incompetency, termination, bankruptcy, insolvency or dissolution of such Limited Partner; provided, however, that such power of attorney shall terminate upon the substitution of another limited partner for all of such Limited Partner's interest in the Partnership or upon the complete withdrawal of such Limited Partner from participation in the Partnership.

Sec. 9.03 Amendments to Partnership Agreement. The terms and provisions of this Agreement may be modified or amended at any time and from time to time with the written consent of Limited Partners (other than Defaulting Partners) whose aggregate Total Capital Account balances exceed 50% of the Total Capital Account balances of the Limited Partners (other than Defaulting Partners) and the written consent of the General Partner, insofar as is consistent with the laws governing this Agreement; provided, however, that without the consent of the Limited Partners, the General Partner may amend the Agreement to (i) reflect changes validly made in the membership of the Partnership and the Capital Contributions of the Partners; (ii) change the provisions relating to Lock-Up Periods as provided in, and subject to the terms of, the definition thereof; (iii) change the provisions relating to the Incentive Allocation as provided in, and subject to the provisions of, Sec. 4.05; (iv) reflect a change in the name of the Partnership; (v) make a change that is necessary or, in the opinion of the General Partner, advisable to qualify the Partnership as a limited partnership or a partnership in which the Limited Partners have limited liability under the laws of any state or foreign jurisdiction, or ensure that the Partnership shall not be treated as an association, taxable as a corporation or as a publicly traded partnership as defined in Section 7704(b) of the Code (or any successor provision), for Federal income tax purposes; (vi) make a change that does not adversely affect the Limited Partners in any material respect; (vii) make a change that is necessary or desirable to cure any ambiguity, to correct or supplement any provision in this Agreement that would be inconsistent with any other provision in this Agreement, or to make any other provision with respect to matters or questions arising under this Agreement that shall not be inconsistent with the provisions of this Agreement, in each case so long as such change does not adversely affect the Limited Partners in any material respect; (viii) make a change that is necessary or desirable to satisfy any requirements, conditions or guidelines contained in any opinion, directive, order, statute, ruling or regulation of any Federal, state or foreign governmental entity, so long as such change is made in a manner which minimizes any adverse effect on the Limited Partners; (ix) make a change in any provision of this Agreement that requires any action to be taken by or on behalf of the General Partner or the Partnership pursuant to applicable Delaware law if the provisions of applicable Delaware law are amended, modified or revoked so that the taking of such action is no longer required; or (x) prevent the Partnership from in any manner being deemed an "investment company" subject to the registration provisions of the Investment Company Act of 1940, as amended. Notwithstanding the foregoing, each Partner must approve of any amendment which would (a) reduce its Total Capital Account, its rights of contribution or withdrawal, its allocable share of income or loss, or its rights to distributions; (b) increase the Incentive Allocation or Management Fee with respect to such Partner, or such Partner's share of expenses or liabilities; or (c) amend the provisions of this Agreement relating to amendments.

Sec. 9.04 Non-Voting Interests of BHC Limited Partners. That portion of any interest in the Partnership owned or controlled by any BHC Limited Partner that is determined, at any time, to be in excess of 4.99% (or such greater or lesser percentage as may be permitted or required under Section 4(c)(6) of the BHC Act) of the total outstanding aggregate voting interests of all Limited Partners (excluding any other interests that are non-voting interests pursuant to this Sec. 9.04) shall be deemed to be non-voting interests in the Partnership (whether or not subsequently transferred in whole or in part to any other Person) (collectively, "Non-Voting Interests"), provided that such Non-Voting Interests shall be permitted to vote on any proposal to dissolve or continue the business of the Partnership, and shall be permitted to vote on matters regarding which Non-Voting Interests may vote and not be considered "voting securities" under 12 C.F.R. § 225.2(q)(2), including those matters which may "significantly and adversely" affect the BHC Limited Partner such as revisions to this Agreement or modification of the terms of its interests, but shall not be permitted to vote on the selection of any successor General Partner, and provided that each BHC Limited Partner irrevocably waives its right to vote its Non-Voting Interest on the selection of a successor General Partner under Section 17-801 of the Act, which waiver shall be binding upon such BHC Limited Partner or any person or entity that succeeds to its interest in the Partnership. To the extent permitted by the Act, and except as otherwise provided in this Sec. 9.04, Non-Voting Interests shall not be counted as interests in the Partnership held by any Limited Partner for purposes of determining whether any vote or consent required by this Agreement has been approved or given by the requisite percentage of the Limited Partners. Any BHC Limited Partner may elect not to be treated as a BHC Limited Partner by executing an Opt-Out Election. Any Opt-Out Election made by a BHC Limited Partner may be rescinded at any time by providing written notice thereof to the General Partner. Except as provided in this Sec. 9.04, an interest in the Partnership that is held as a Non-Voting Interest will be identical in all regards to all other interests in the Partnership held by Limited Partners.

Sec. 9.05 Choice of Law. Notwithstanding the place where this Agreement may be executed by any of the parties thereto, the parties expressly agree that all the terms and provisions hereof shall be construed under the laws of the State of Delaware applicable to contracts made and to be entirely performed in such state and, without limitation thereof, that the Act as now adopted or as may be hereafter amended shall govern the partnership aspects of this Agreement.

Sec. 9.06 Adjustment of Basis of Partnership Property. In the event of a distribution of Partnership property to a Partner or an assignment or other transfer (including by reason of death) of all or part of the interest of a Limited Partner in the Partnership, at the request of a Partner, the General Partner, in his discretion, may cause the Partnership to elect, pursuant to Section 754 of the Code, or the corresponding provision of subsequent law, to adjust the basis of the Partnership property as provided by Sections 734 and 743 of the Code.

Sec. 9.07 No Third Party Rights. Except for the provisions of Sec. 3.05, the provisions of this Agreement, including, without limitation, the provisions of Sec. 2.04 and Sec. 4.02, are not intended to be for the benefit of any creditor or other Person (other than the Partners in their capacities as such) to whom any debts, liabilities or obligations are owed by (or who otherwise have a claim against or dealings with) the Partnership or any Partner, and no such creditor or other Person shall obtain any rights under any of such provisions (whether as a third party beneficiary or otherwise) or shall by reason of any such provisions make any claim in

respect to any debt, liability or obligation (or otherwise) including any debt, liability or obligation pursuant to Sec. 2.04 and Sec. 4.02, against the Partnership or any Partner.

Sec. 9.08 Notices. Each notice relating to this Agreement shall be in writing and delivered in Person, by registered or certified mail, by Federal Express or similar overnight courier service or by telecopy. All notices to the Partnership shall be addressed to its principal office and place of business. All notices addressed to a Partner shall be addressed to such Partner at the address set forth on the books and records of the Partnership. Any Partner may designate a new address by notice to that effect given to the Partnership. Unless otherwise specifically provided in this Agreement, a notice shall be deemed to have been effectively given when delivered personally, if delivered on a Business Day; the next Business Day after personal delivery if delivered personally on a day that is not a Business Day; four Business Days after being deposited in the United States mail, postage prepaid, return receipt requested, if mailed; on the next Business Day after being deposited for next day delivery with Federal Express or similar overnight courier; when receipt is acknowledged, if telecopied on a Business Day; and the next Business Day following the day on which receipt is acknowledged if telecopied on a day that is not a Business Day.

Sec. 9.09 Goodwill. No value shall be placed on the name or goodwill of the Partnership, which shall belong exclusively to the General Partner.

Sec. 9.10 Headings. The titles of the Articles and the headings of the Sections of this Agreement are for convenience of reference only, and are not to be considered in construing the terms and provisions of this Agreement.

Sec. 9.11 Pronouns. All pronouns shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the Person or Persons may require in the context thereof.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands as of the date first set forth above.

GENERAL PARTNER:

SAB CAPITAL ADVISORS, L.L.C.

By: _____
Name: Scott A. Bommer
Title: Managing Member

LIMITED PARTNERS:

By: SAB CAPITAL ADVISORS, L.L.C.,
GENERAL PARTNER

By: _____
Name: Scott A. Bommer
Title: Managing Member

Each Person who shall sign a Limited Partner Signature Page in the form attached to the Subscription Agreement and who shall be accepted by the General Partner to the Partnership as a Limited Partner.