BLACKSTONE GROUP L.P.

FORM 10-Q
(Quarterly Report)

Filed 08/13/07 for the Period Ending 06/30/07

Address	345 PARK AVENUE NEW YORK, NY 10154
Telephone	212 583 5000
CIK	0001393818
Symbol	BX
SIC Code	6282 - Investment Advice
Industry	Real Estate Operations
Sector	Services
Fiscal Year	12/31

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2007**

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____TO _____**

Commission File Number: 001-33551

The Blackstone Group L.P.
(Exact name of Registrant as specified in its charter)

Delaware	**20-8875684**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

345 Park Avenue
New York, New York 10154
(Address of principal executive offices)

(212) 583-5000
(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☐ No ☒

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of the Registrant's common units representing limited partner interests outstanding as of August 13, 2007 was 260,171,676, which includes 106,838,343 non-voting common units.

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Forward-Looking Statements

This report may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 which reflect our current views with respect to, among other things, our operations and financial performance. You can identify these forward-looking statements by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates" or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially

from those indicated in these statements. We believe these factors include but are not limited to those described under the section entitled "Risk Factors" in our prospectus dated June 21, 2007, filed with the Securities and Exchange Commission in accordance with Rule 424(b) of the Securities Act on June 25, 2007, which is accessible on the SEC's website at sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this report and in the prospectus. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

In this report, references to "Blackstone," "we," "us" or "our" refer (1) prior to the consummation of our reorganization into a holding partnership structure in June 2007 as described under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Significant Transactions—Reorganization", to Blackstone Group, which comprised certain consolidated and combined entities historically under the common ownership of (a) our two founders, Mr. Stephen A. Schwarzman and Mr. Peter G. Peterson, and our other senior managing directors, (b) selected other individuals engaged in some of our businesses and (c) a subsidiary of American International Group, Inc. and (2) after our reorganization, to The Blackstone Group L.P. and its consolidated subsidiaries.

"Blackstone funds," "our funds" and "our investment funds" refer to the corporate private equity funds, real estate opportunity funds, funds of hedge funds, mezzanine funds, senior debt vehicles, proprietary hedge funds and closed-end mutual funds that are managed by Blackstone. "Our carry funds" refer to the corporate private equity funds, real estate opportunity funds and mezzanine funds that are managed by Blackstone. "Our hedge funds" refer to the funds of hedge funds and proprietary hedge funds that are managed by Blackstone.

"Assets under management" refers to the assets we manage. Our assets under management equal the sum of:

(1) the fair market value of the investments held by our carry funds plus the capital that we are entitled to call from investors in those funds pursuant to the terms of their capital commitments to those funds (plus the fair market value of co-investments arranged by us that were made by limited partners of our corporate private equity and real estate opportunity funds in portfolio companies of such funds and as to which we receive fees or a carried interest allocation);

(2) the net asset value of our funds of hedge funds, proprietary hedge funds and closed-end mutual funds; and

(3) the amount of capital raised for our senior debt vehicles.

Our calculation of assets under management may differ from the calculations of other asset managers and as a result this measure may not be comparable to similar measures presented by other asset managers. Our definition of assets under management is not based on any definition of assets under management that is set forth in the agreements governing the investment funds that we manage.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

THE BLACKSTONE GROUP L.P.
Condensed Consolidated and Combined Statements of Financial Condition (Unaudited)
(Dollars in Thousands, Except Unit Data)

	June 30, 2007	December 31, 2006
Assets		
Cash and Cash Equivalents	$ 1,433,363	$ 129,443
Cash Held by Blackstone Funds	467,766	810,725
Investments, at Fair Value	10,779,425	31,263,573
Accounts Receivable	294,124	656,165
Due from Brokers	604,312	398,196
Investment Subscriptions Paid in Advance	879,073	280,917
Due from Affiliates	373,011	257,225
Other Assets	93,258	94,800
Intangible Assets	715,088	—
Goodwill	1,551,175	—
Deferred Tax Assets	1,589,296	—
Total Assets	$18,779,891	$33,891,044
Liabilities and Partners' Capital		
Loans Payable	$ 176,930	$ 975,981
Amounts Due to Non-Controlling Interest Holders	293,310	647,418
Securities Sold, Not Yet Purchased	638,982	422,788
Due to Affiliates	2,092,719	103,428
Accrued Compensation and Benefits	108,891	66,301
Accounts Payable, Accrued Expenses and Other Liabilities	149,874	157,355
Total Liabilities	3,460,706	2,373,271
Commitments and Contingencies		
Non-Controlling Interests in Consolidated Entities	10,760,330	28,794,894
Partners' Capital		
Partners' Capital (common units, 260,171,677 issued and outstanding as of June 30, 2007)	4,558,505	2,712,605
Accumulated Other Comprehensive Income	350	10,274
Total Partners' Capital	4,558,855	2,722,879
Total Liabilities and Partners' Capital	$18,779,891	$33,891,044

See notes to condensed consolidated and combined financial statements.

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THE BLACKSTONE GROUP L.P.
Condensed Consolidated and Combined Statements of Income (Unaudited)
(Dollars in Thousands, Except Unit and Per Unit Data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Revenues				
Management and Advisory Fees (includes fees earned from affiliates of $97,183 and $91,966 for the three months ended June 30, 2007 and 2006, respectively, and $327,115 and $158,803 for the six months ended June 30, 2007 and 2006, respectively)	$ 341,695	$278,668	$ 789,096	$ 484,109
Performance Fees and Allocations	453,750	47,781	1,116,247	313,457
Investment Income and Other	179,875	(1,883)	296,345	82,497
Total Revenues	975,320	324,566	2,201,688	880,063
Expenses				
Compensation and Benefits	345,545	56,463	424,752	109,313
Interest	15,180	12,692	26,302	20,180
General, Administrative and Other	50,687	31,009	78,819	51,191
Fund Expenses	19,531	38,694	30,968	56,770
Total Expenses	430,943	138,858	560,841	237,454
Other Income				
Net Gains from Fund Investment Activities	601,682	55,500	1,197,563	1,407,373
Income Before Non-Controlling Interests in Income of Consolidated Entities and Provision (Benefit) for Taxes	1,146,059	241,208	2,838,410	2,049,982
Non-Controlling Interests in Income of Consolidated Entities	374,117	7,498	920,423	1,323,244
Income Before Provision (Benefit) for Taxes	771,942	233,710	1,917,987	726,738
Provision (Benefit) for Taxes	(2,409)	9,647	11,560	15,520
Net Income	$ 774,351	$224,063	$ 1,906,427	$ 711,218

	June 19, 2007 through June 30, 2007
Net Loss	$ (52,324)
Net Loss Per Common Unit	
Basic	$ (0.20)
Diluted	$ (0.20)
Weighted-Average Common Units	
Basic	256,502,271
Diluted	256,502,271

See notes to condensed consolidated and combined financial statements.

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THE BLACKSTONE GROUP L.P.
Condensed Consolidated and Combined Statements of Cash Flows (Unaudited)
(Dollars in Thousands)

	For the Six Months Ended June 30,	
	2007	2006
Cash Flows from Operating Activities		
Net Income	$ 1,906,427	$ 711,218
Adjustments to Reconcile Net Income to Net Cash Provided By (Used in) Operating Activities:		
Blackstone Funds Related:		
Non-Controlling Interests in Income of Consolidated Entities	38,830	2,649,017
Net Realized Gains on Investments	(1,178,043)	(3,368,904)
Changes in Unrealized (Gains) Losses on Investments Allocable to Blackstone Group	(13,185)	42,329
Non-Cash Performance Fees and Allocations	(483,101)	325,666
Equity Based Compensation Expense	236,228	—
Intangible Amortization	7,200	—
Other Non-Cash Amounts Included in Net Income	4,775	(25,084)
Cash Flows Due to Changes in Operating Assets and Liabilities:		
Cash Held by Blackstone Funds	255,222	8,811
Due from Brokers	(206,116)	—
Accounts Receivable	425,157	(110,689)
Due from Affiliates	(18,329)	(85,522)
Other Assets	(16,860)	(10,135)
Accrued Compensation and Benefits	41,856	11,647
Accounts Payable, Accrued Expenses and Other Liabilities	18,913	38,206
Due to Affiliates	68,010	71,119
Amounts Due to Non-Controlling Interest Holders	(3,385)	82,588
Blackstone Funds Related:		
Investments Purchased	(4,738,010)	(5,871,192)
Cash Proceeds from Sale of Investments	4,325,631	5,436,338
Net Cash Provided By (Used in) Operating Activities	671,220	(94,587)
Cash Flows from Investing Activities		
Purchase of Furniture, Equipment and Leasehold Improvements	(14,518)	(3,458)
Elimination of Cash for Non-Contributed Entities	(23,292)	—
Net Cash Used in Investing Activities	(37,810)	(3,458)
Cash Flows from Financing Activities		
Issuance of Units in Initial Public Offering	7,501,240	—
Distributions to Non-Controlling Interest Holders in Consolidated Entities	(1,350,623)	(4,490,993)
Contributions from Non-Controlling Interest Holders in Consolidated Entities	1,125,077	5,123,864
Contributions from Predecessor Owners	222,909	158,269
Distributions to Predecessor Owners	(1,861,117)	(1,185,804)
Purchase of Interests from Predecessor Owners	(4,569,110)	—
Proceeds from Loans Payable	1,617,483	4,547,854
Repayment of Loans Payable	(2,015,349)	(4,077,464)
Net Cash Provided By Financing Activities	670,510	75,726
Effect of Exchange Rate Changes on Cash and Cash Equivalents	—	1,008
Net Increase (Decrease) in Cash and Cash Equivalents	1,303,920	(21,311)
Cash and Cash Equivalents, Beginning of Period	129,443	86,414
Cash and Cash Equivalents, End of Period	$ 1,433,363	$ 65,103

THE BLACKSTONE GROUP L.P.
Condensed Consolidated and Combined Statements of Cash Flows (Unaudited)
(Dollars in Thousands)

	For the Six Months Ended June 30, 2007	2006
Supplemental Disclosures of Cash Flow Information:		
Payments for Interest	$ 26,080	$ 16,211
Payments for Income Taxes	$ 42,859	$ 7,271
Supplemental Disclosure of Non-Cash Operating Activities		
Net Activities Related to Investment Transactions of Consolidated Blackstone Funds	$ 139,219	$ 148,240
Supplemental Non-Cash Financing Activities		
Non-Cash Distributions to Non-Controlling Interest Holders	$ 46,837	$ 136,821
Non-Cash Distributions to Partners	$ 9,619	$ 34,159
Net Activities Related to Capital Transactions of Consolidated Blackstone Funds	$ 139,219	$ 148,240
Elimination of Non-Controlling Interests of Non-Contributed Entities	$ 823,030	$ —
Elimination of Capital of Non-Contributed Entities	$ 118,947	$ —
Transfer of Partners' Capital to Non-Controlling Interests	$ 2,058,065	$ —
Distribution Payable to Predecessor Owners	$ 623,942	$ —
Reorganization of the Partnership		
Goodwill as a Result of Reorganization	$ (1,551,175)	$ —
Intangibles as a Result of Reorganization	$ (722,288)	$ —
Accounts Payable, Accrued Expenses and Other Liabilities	$ 17,659	$ —
Non-Controlling Interest in Consolidated Entities	$ 2,255,804	$ —
Exchange of Founders and Senior Managing Directors' Interests in Blackstone Holdings		
Deferred Tax Asset	$ (1,589,296)	$ —
Due to Affiliates	$ 1,350,902	$ —
Partners' Capital	$ 238,392	$ —

See notes to condensed consolidated and combined financial statements.

THE BLACKSTONE GROUP L.P.
Notes to Condensed Consolidated and Combined Financial Statements (Unaudited)
(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Otherwise Noted)

1. ORGANIZATION AND BASIS OF PRESENTATION

The Blackstone Group L.P. (the "Partnership"), together with its consolidated subsidiaries (collectively, "Blackstone"), is a leading global alternative asset manager and provider of financial advisory services based in New York. The alternative asset management businesses include the management of corporate private equity funds, real estate funds, funds of hedge funds, mezzanine funds, senior debt vehicles, proprietary hedge funds and closed-end mutual funds, collectively referred to as the "Blackstone Funds." Blackstone also provides various financial advisory services, including corporate and mergers and acquisitions advisory, restructuring and reorganization advisory and fund placement services.

Basis of Presentation – The accompanying unaudited condensed consolidated and combined financial statements of the Partnership have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and the instructions to Form 10-Q. The condensed consolidated and combined financial statements, including these notes, are unaudited and exclude some of the disclosures required in annual financial statements. Management believes it has made all necessary adjustments (consisting of only normal recurring items) so that the condensed consolidated and combined financial statements are presented fairly and that estimates made in preparing its condensed consolidated and combined financial statements are reasonable and prudent. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year. These condensed consolidated and combined financial statements should be read in conjunction with the combined financial statements of the Partnership for the year ended December 31, 2006 included in the Partnership's prospectus dated June 21, 2007 filed with the Securities and Exchange Commission on June 25, 2007.

The accompanying condensed consolidated and combined financial statements include (1) subsequent to the reorganization as described below, the consolidated accounts of Blackstone, and (2) prior to the reorganization the entities engaged in the above businesses under the common ownership of the two founders of Blackstone, Stephen A. Schwarzman and Peter G. Peterson (the "Founders"), Blackstone's other senior managing directors and selected other individuals engaged in some of our businesses, personal planning vehicles beneficially owned by the families of these individuals and a subsidiary of American International Group, Inc. ("AIG"), whom are referred to collectively as the "predecessor owners".

Certain of the Blackstone Funds are included in the consolidated and combined financial statements of the Partnership. Consequently, the condensed consolidated and combined financial statements of the Partnership reflect the assets, liabilities, revenues, expenses and cash flows of these consolidated Blackstone Funds on a gross basis. The majority economic ownership interests in these funds are reflected as Non-Controlling Interests in Consolidated Entities in the condensed consolidated and combined financial statements. The consolidation of these Blackstone Funds has no net effect on the Partnership's Net Income or Partners' Capital.

The Partnership's interest in Blackstone Holdings (see "Reorganization of the Partnership" below) is within the scope of the Emerging Issues Task Force ("EITF") Issue No. 04-5, *Determining Whether a General Partner, or the General Partners as a Group, Controls a Limited Partnership or Similar Entity When the Limited Partners Have Certain Rights* ("EITF 04-5"). Although the Partnership has a minority economic interest in Blackstone Holdings, it has a majority voting interest and controls the management of Blackstone Holdings. Additionally, although the Blackstone Holdings' limited partners hold a majority economic interest in Blackstone Holdings, they do not have the right to dissolve the partnership or have substantive kick-out rights or participating rights that would overcome the presumption of control by the Partnership. Accordingly, the Partnership consolidates Blackstone Holdings and records non-controlling interest for the economic interest in Blackstone Holdings held directly by the Founders and the senior managing directors and selected other individuals engaged in some of Blackstone's businesses and AIG.

Certain prior period financial statement balances have been reclassified to conform to the current presentation.

Reorganization of the Partnership – The Partnership was formed as a Delaware limited partnership on March 12, 2007. The Partnership is managed and operated by its general partner, Blackstone Group Management L.L.C., which is in turn wholly-owned and controlled by Blackstone's senior managing directors and the Founders.

THE BLACKSTONE GROUP L.P.
Notes to Condensed Consolidated and Combined Financial Statements (Unaudited)
(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Otherwise Noted)

Blackstone's business was historically conducted through a large number of entities as to which there was no single holding entity but which were separately owned by its predecessor owners. In order to facilitate the initial public offering, as described in further detail below, the predecessor owners completed a reorganization as of the close of business on June 18, 2007 (the "Reorganization") whereby, with certain limited exceptions, each of the operating entities of the predecessor organization and the intellectual property rights associated with the Blackstone name, were contributed ("Contributed Businesses") to five newly-formed holding partnerships (Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P. and Blackstone Holdings V L.P. (collectively, "Blackstone Holdings")) or sold to wholly-owned subsidiaries of the Partnership (which in turn contributed them to Blackstone Holdings). The Partnership, through wholly-owned subsidiaries, is the sole general partner of each of the Blackstone Holdings partnerships.

The Reorganization was accounted for as an exchange of entities under common control for the interests in the Contributed Businesses which were contributed by the Founders and the other senior managing directors (collectively, the "Control Group") and as an acquisition of non-controlling interests using the purchase method of accounting for all the predecessor owners other than the Control Group pursuant to Statement of Financial Accounting Standard ("SFAS") No. 141, *Business Combinations* ("SFAS No. 141").

Blackstone also entered into an exchange agreement with holders of partnership units in Blackstone Holdings (other than the Partnership's wholly-owned subsidiaries) so that these holders, subject to the vesting and minimum retained ownership requirements and transfer restrictions set forth in the partnership agreements of the Blackstone Holdings partnerships, may up to four times each year exchange their Blackstone Holdings Partnership Units for the Partnership common units on a one-for-one basis, subject to customary conversion rate adjustments for splits, unit distributions and reclassifications. A Blackstone Holdings limited partner must exchange one partnership unit in each of the five Blackstone Holdings partnerships to effect an exchange for one common unit in the Partnership. The terms "Blackstone Holdings Partnership Unit" or "partnership unit in/of Blackstone Holdings" refer collectively to a partnership unit in each of the Blackstone Holdings partnerships.

Undistributed earnings of the Contributed Businesses through the date of the Reorganization inured to the benefit of the predecessor owners. Such amounts totaled $839 million, of which $215 million had been distributed prior to June 30, 2007. The undistributed balance of $624 million as of June 30, 2007 has been recorded as a component of Due to Affiliates.

Initial Public Offering – On June 27, 2007, the Partnership completed the initial public offering ("IPO") of its common units representing limited partner interests in the Partnership. Upon the completion of the IPO, public investors indirectly owned approximately 14.1% of the equity in Blackstone. Concurrently with the IPO, the Partnership completed the sale of non-voting common units, representing approximately 9.3% of the equity in Blackstone, to Beijing Wonderful Investments, an investment vehicle established by the People's Republic of China with respect to its foreign exchange reserve. Beijing Wonderful Investments is restricted in the future from purchasing Blackstone Common Units so that its equity interest in Blackstone remains under 10%.

The Partnership contributed the proceeds from the IPO and the sale of non-voting common units to Beijing Wonderful Investments to its wholly-owned subsidiaries, which in turn used these proceeds to (1) purchase interests in the Contributed Businesses from the predecessor owners (which interests were then contributed to Blackstone Holdings in exchange for newly-issued Blackstone Holdings Partnership Units) and (2) purchase additional newly-issued Blackstone Holdings Partnership Units from Blackstone Holdings.

Consolidation and Deconsolidation of Blackstone Funds – In accordance with GAAP, a number of the Blackstone Funds were historically consolidated into Blackstone's combined financial statements.

Concurrently with the Reorganization, the Contributed Businesses that act as a general partner of a consolidated Blackstone Fund (with the exception of Blackstone's proprietary hedge funds and five of the funds of hedge funds) took the necessary steps to grant rights to the unaffiliated investors in each respective fund to provide that a simple majority of the fund's investors will have the right, without cause, to remove the general partner of that fund or to accelerate the liquidation date of that fund in accordance with certain procedures. The granting of these rights results in the deconsolidation of such investment funds from the Partnership's consolidated financial statements. For all Blackstone Funds where these rights were granted, with the exception of the funds of hedge funds, these

rights became effective on June 27, 2007. The effective date of these rights related to the applicable funds of hedge funds is July 1, 2007. Once the rights become effective, Blackstone's interest in these funds are deconsolidated and accounted for under the equity method of accounting. As permitted by GAAP, the change from consolidation to equity method accounting has been retroactively presented as if the rights that became effective on June 27, 2007 had been granted effective January 1, 2007.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments, At Fair Value – The Blackstone Funds are, for GAAP purposes, investment companies under the AICPA Audit and Accounting Guide *Investment Companies* . Thus, such funds reflect their investments, including Securities Sold, Not Yet Purchased, on the Condensed Consolidated and Combined Statements of Financial Condition at fair value, with unrealized gains and losses resulting from changes in fair value reflected as a component of Net Gains from Fund Investment Activities in the Condensed Consolidated and Combined Statements of Income. Fair value is the amount that would be received to sell an asset or paid to transfer a liability, in an orderly transaction between market participants at the measurement date (i.e., the exit price). Additionally, these funds do not consolidate their majority-owned and controlled investments (the "Portfolio Companies"). The Partnership has retained the specialized accounting for the Blackstone Funds pursuant to EITF Issue No. 85-12, *Retention of Specialized Accounting for Investments in Consolidation* .

The fair value of the Partnership's Investments and Securities Sold, Not Yet Purchased are based on observable market prices when available. Such prices are based on the last sales price on the measurement date, or, if no sales occurred on such date, at the "bid" price at the close of business on such date and if sold short, at the "ask" price at the close of business on such date. Futures and options contracts are valued based on closing market prices. Forward and swap contracts are valued based on market rates or prices obtained from recognized financial data service providers.

A significant number of the investments have been valued by the Partnership, in the absence of observable market prices, using the valuation methodologies described below. Additional information regarding these investments is provided in Note 4 to the condensed consolidated and combined financial statements. For some investments, little market activity may exist; management's determination of fair value is then based on the best information available in the circumstances and may incorporate management's own assumptions. The Partnership estimates the fair value of investments when market prices are not observable as follows.

Corporate private equity, real estate and mezzanine investments – For investments for which observable market prices do not exist, such investments are reported at fair value as determined by the Partnership. Fair value is determined using valuation methodologies after giving consideration to a range of factors, including but not limited to the price at which the investment was acquired, the nature of the investment, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance and financing transactions subsequent to the acquisition of the investment. These valuation methodologies involve a significant degree of management judgment.

Funds of hedge funds – Blackstone Funds' direct investments in hedge funds ("Investee Funds") are stated at fair value, based on the information provided by the Investee Funds which reflects the Partnership's share of the fair value of the net assets of the investment fund.

Certain Blackstone Funds sell securities that they do not own, and will therefore be obligated to purchase such securities at a future date. The value of an open short position is recorded as a liability, and the fund records unrealized appreciation or depreciation to the extent of the difference between the proceeds received and the value of the open short position. The applicable Blackstone Fund records a realized gain or loss when a short position is closed. By entering into short sales, the applicable Blackstone Fund bears the market risk of increases in value of the security sold short. The unrealized appreciation or depreciation as well as the realized gain or loss associated with short positions are included in the Consolidated and Combined Statements of Income as Net Gains Fund from Investment Activities.

Securities transactions are recorded on a trade date basis.

THE BLACKSTONE GROUP L.P.
Notes to Condensed Consolidated and Combined Financial Statements (Unaudited)
(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Otherwise Noted)

Equity Method Investments – Blackstone's general partner interests in the applicable Blackstone Funds is within the scope of EITF 04-5. Historically, Blackstone has consolidated its general partners' interests in the private equity, real estate and mezzanine funds and certain funds of hedge funds that it manages. In conjunction with its IPO and as described in Note 1, Blackstone granted rights to unaffiliated limited partner fund investors to provide that a simple majority of the fund's investors will have the right, without cause, to remove the general partner of that fund or to accelerate the liquidation date of that fund in accordance with certain procedures. Consequently, these general partners no longer control, but retain significant influence over, the activities of certain of the funds and will account for these general partners' interests using the equity method of accounting pursuant to Accounting Principles Board ("APB") Opinion No. 18, *The Equity Method of Accounting for Investments in Common Stock* ("APB 18"). Blackstone's equity in earnings (losses) from equity method investees is included in Investment Income and Other in the Condensed Consolidated and Combined Statements of Income as such investments represent an integral part of Blackstone's business.

Blackstone also invests in entities other than its managed funds. In such instances where Blackstone exerts significant influence, but not control, typically when its percentage voting interest in such investments is between 20% and 50%, the Partnership accounts for these investments using the equity method of accounting.

The Partnership evaluates for impairment its equity method investments, including any intangibles and goodwill related to the acquisition of such investments, whenever events or changes in circumstances indicate that the carrying amounts of such investments may not be recoverable in accordance with APB 18. The difference between the carrying value of the equity method investment and its estimated fair value is recognized as an impairment when the loss in value is deemed other than temporary.

Management and Advisory Fees – The Partnership has reclassified into a single revenue component the amounts historically reported as Fund Management Fees and Advisory Fees. Historically, in certain management fee arrangements, Blackstone received a fee attributable to fund performance. Such amounts have been reclassified and included in Performance Fees and Allocations.

Performance Fees and Allocations – Performance Fees and Allocations consist principally of the preferential allocations of profits ("carried interest") which are a component of the general partners' interests in the corporate private equity, real estate and mezzanine funds. Blackstone is entitled to carried interest from an investment fund when the fund achieves cumulative investment returns in excess of a specified rate. The Partnership records as revenue the amount that would be due pursuant to the fund agreements at each period end as if the fund agreements were terminated at that date.

Investment Income and Other – Investment Income and Other principally reflects the investment performance, realized and unrealized, of Blackstone's investments in the Blackstone Funds as well as Blackstone's equity in earnings (loss) from equity method investees.

Business Combinations – The Partnership accounts for acquisitions using the purchase method of accounting in accordance with SFAS No. 141. The purchase price of the acquisition is allocated to the assets acquired and liabilities assumed using the fair values determined by management as of the acquisition date. The unaudited condensed consolidated and combined financial statements of the Partnership for the periods presented does not reflect any business combinations. However, the acquisition of non-controlling interests described in Notes 1 and 3, is accounted for using the purchase method of accounting pursuant to SFAS No. 141.

Goodwill and Intangible Assets – SFAS No. 142, *Goodwill and Other Intangible Assets* ("SFAS No. 142"), does not permit the amortization of goodwill and indefinite-lived assets. Under SFAS No. 142, these assets must be reviewed annually for impairment or more frequently if circumstances indicate impairment may have occurred. Identifiable finite lived intangible assets are amortized over their estimated useful lives, which are periodically reevaluated for impairment or when circumstances indicate impairment may have occurred in accordance with SFAS No. 142.

Compensation and Benefits – Compensation includes salaries and bonuses (discretionary awards and guaranteed amounts). Bonuses are accrued over the service period to which they relate. Benefits includes both senior managing directors' and employees' benefit expense. Prior to the IPO, payments made to senior managing directors were accounted for as partnership distributions rather than as compensation.

THE BLACKSTONE GROUP L.P.
Notes to Condensed Consolidated and Combined Financial Statements (Unaudited)
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Share-Based Payment – Share-based compensation is accounted for under the provisions of SFAS No. 123(R), *Share-Based Payment* ("SFAS No. 123(R)"), which revises SFAS No. 123, *Accounting for Stock-Based Compensation* , and supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees* . Under SFAS No. 123(R), the cost of employee services received in exchange for an award of equity instruments is generally measured based on the grant-date fair value of the award. Share-based awards that do not require future service (i.e., vested awards) are expensed immediately. Share-based employee awards that require future service are recognized over the relevant service period. Further, as required under SFAS No. 123(R), the Partnership estimates forfeitures for share-based awards that are not expected to vest.

Profit Sharing Plan – A portion of the carried interest earned subsequent to the Reorganization with respect to certain funds is due to senior managing directors and employees. These amounts are accounted for by the Partnership as compensatory profit sharing arrangements in conjunction with the related carried interest income and recorded as compensation expense. Currently, approximately 40% of the carried interest earned under these arrangements is paid to these individuals who work in the related operations.

Net Income (Loss) Per Common Unit – The Partnership computes Net Income (Loss) per Common Unit in accordance with SFAS No. 128, *Earnings Per Share* . Basic Net Income (Loss) per Common Unit is computed by dividing income (loss) available to common unitholders by the weighted-average number of common units outstanding for the period. Diluted Net Income (Loss) per Common Unit reflects the assumed conversion of all dilutive securities. Prior to the Reorganization, Blackstone's business was conducted through a large number of entities as to which there was no single holding entity but which were separately owned by its then existing owners. There was no single capital structure upon which to calculate historical earnings per unit information. Accordingly, earnings per unit information has not been presented for historical periods prior to the Reorganization.

Income Taxes – Blackstone has historically operated as a partnership for U.S. federal income tax purposes and mainly as a corporate entity in non-U.S. jurisdictions. As a result, income has not been subject to U.S. federal and state income taxes. Taxes related to income earned by these entities represent obligations of the individual partners and members and have not been reflected in the historical combined financial statements. Income taxes shown on the historical combined statements of income are attributable to the New York City unincorporated business tax and income taxes on certain entities located in non-U.S. jurisdictions.

Following the Reorganization, the Blackstone Holdings partnerships and their subsidiaries continue to operate in the U.S. as partnerships for U.S. federal income tax purposes and generally as corporate entities in non-U.S. jurisdictions; accordingly, these entities in some cases continue to be subject to New York City unincorporated business tax, or in the case of non-U.S. entities, to non-U.S. corporate income taxes. In addition, certain of the wholly-owned subsidiaries of the Partnership are subject to federal, state and local corporate income taxes at the entity level and these will be reflected in the consolidated financial statements.

Recent Accounting Pronouncements – In June 2006, the FASB issued Interpretation ("FIN") No. 48, *Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109* ("FIN 48"). FIN 48 requires companies to recognize the tax benefits of uncertain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. The tax benefit recognized is the largest amount of benefit that is greater than 50 percent likelihood of being realized upon ultimate settlement. The Partnership adopted FIN 48 as of January 1, 2007. The adoption of FIN 48 did not have a material impact on the Partnership's condensed consolidated and combined financial statements.

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements* ("SFAS No. 157"). SFAS No. 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The Partnership adopted SFAS No. 157 as of January 1, 2007. The adoption of SFAS No. 157 did not have a material impact on the Partnership's condensed consolidated and combined financial statements.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* ("SFAS No. 159"). SFAS No. 159 permits entities to choose to measure many financial instruments and

certain other items at fair value, with changes in fair value recognized in earnings. SFAS No. 159 is effective as of the beginning of the first fiscal year that begins after November 15, 2007. The Partnership is currently evaluating the potential effect on the financial statements of adopting SFAS No. 159.

In May 2007, the FASB issued FASB Staff Position No. FIN 46(R)-7, *Application of FASB Interpretation No. 46(R) to Investment Companies* ("FSP FIN 46(R)-7") which provides clarification on the applicability of FIN 46, as revised to the accounting for investments by entities that apply the accounting guidance in the AICPA Audit and Accounting Guide, *Investment Companies* . FSP FIN 46(R)-7 amends FIN 46, as revised to make permanent the temporary deferral of the application of FIN 46, as revised to entities within the scope of the guide under Statement of Position ("SOP") No. 07-1, *Clarification of the Scope of the Audit and Accounting Guide* Investment Companies *and Accounting by Parent Companies and Equity Method Investors for Investments in Investment Companies* ("SOP 07-1"). FSP FIN 46(R)-7 is effective upon adoption of SOP 07-1. The adoption of FSP FIN 46(R)-7 is not expected to have a material impact on the Partnership.

In June 2007, the AICPA issued SOP No. 07-1, *Clarification of the Scope of the Audit and Accounting Guide* Investment Companies *and Accounting by Parent Companies and Equity Method Investors for Investments in Investment Companies* ("SOP 07-1"). SOP 07-1 addresses whether the accounting principles of the AICPA Audit and Accounting Guide *Investment Companies* may be applied to an entity by clarifying the definition of an investment company and whether those accounting principles may be retained by a parent company in consolidation or by an investor in the application of the equity method of accounting. SOP 07-1 is effective for fiscal years beginning on or after December 15, 2007 with earlier adoption encouraged. The adoption of SOP 07-1 is not expected to have a material impact on the Partnership.

In June 2007, the EITF reached consensus on Issue No. 06-11, *Accounting for Income Tax Benefits of Dividends on Share-Based Payment Awards* ("EITF 06-11"). EITF 06-11 requires that the tax benefit related to dividend equivalents paid on restricted stock units, which are expected to vest, be recorded as an increase to additional paid-in capital. EITF 06-11 is to be applied prospectively for tax benefits on dividends declared in fiscal years beginning after December 15, 2007, and the Partnership expects to adopt the provisions of EITF 06-11 beginning in the first quarter of 2008. The Partnership is currently evaluating the potential effect on the financial statements of adopting EITF 06-11.

3. ACQUISITION OF NON-CONTROLLING INTERESTS

Pursuant to the Reorganization transaction described in Note 1, the Partnership acquired interests in the predecessor businesses from the predecessor owners. These interests were acquired, in part, through an exchange of Blackstone Holdings Partnership Units and, in part, through the payment of cash.

This transaction has been accounted for partially as a transfer of interests under common control and, partially, as an acquisition of non-controlling interests in accordance with SFAS No. 141. The vested Blackstone Holdings Partnership Units received by the Control Group in the Reorganization are reflected in the consolidated financial statements as non-controlling interests at the historical cost of the interests they contributed, as they are considered to be the Control Group of the predecessor organization. The vested Blackstone Holdings Partnership Units received by holders not included in the Control Group in the Reorganization are accounted for using the purchase method of accounting under SFAS No. 141 and reflected as non-controlling interests in the consolidated financial statements at the fair value of the interests contributed as these holders are not considered to have been in the group controlling Blackstone prior to the Reorganization. Additionally, ownership interests were purchased with proceeds from the IPO. The cash paid in excess of the cost basis of the interests acquired from members of the Control Group has been charged to equity. Cash payments related to the acquisition of interests from holders outside of the Control Group has been accounted for using the purchase method of accounting.

The total consideration paid to holders outside of the Control Group was $2,760 million and reflects (1) 68,279,449 Blackstone Holdings Partnership Units issued in the exchange, the fair value of which was $2,117 million based on the initial public offering price of $31.00 per common unit, and (2) cash of $643 million. Accordingly, the Partnership has reflected the acquired tangible assets at the fair value of the consideration paid. The excess of the purchase price over the fair value of the tangible assets acquired approximates $2,256 million and has been included in the captions Goodwill and Intangible Assets in the Consolidated Statement of Financial Condition as of June 30, 2007.

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The finite-lived intangible assets related to the contractual right to future fee income from management, advisory and incentive fee contracts and the contractual right to earn future carried interest from the corporate private equity, real estate and mezzanine funds was $722 million. The residual amount representing the purchase price in excess of tangible and intangible assets (including a deferred tax liability of $18 million) is $1,551 million and has been recorded as Goodwill.

The Partnership is in the early stages of gathering data and performing an analysis and evaluation of the excess of the cost over the net tangible assets acquired and liabilities assumed and is currently in the process of hiring an independent third party to assist in the valuation of the assets acquired. The Partnership has preliminarily determined the following estimated fair values for the acquired assets and liabilities assumed as of the date of acquisition. To the extent that the estimates used in the preliminary purchase price allocation need to be adjusted, the Partnership will do so upon making that determination but not later than one year from the date of acquisition.

Purchase Price	$ 2,759,981
Goodwill	$ 1,551,175
Finite-Lived Intangible Assets/Contractual Rights	722,288
Deferred Tax Liability	(17,659)
Increase to Non-Controlling Interests in Consolidated Entities	2,255,804
Net Assets Acquired, at Fair Value	504,177
Preliminary Purchase Price Allocation	$ 2,759,981

The estimated useful lives of the finite-lived intangibles are expected to range between 3 and 10 years. The Partnership is amortizing these finite-lived intangibles over their estimated useful lives using the straight line method.

4. INVESTMENTS

Investments, At Fair Value

A condensed summary of Investments, at Fair Value, which consists primarily of financial instruments held by consolidated Blackstone Funds, follows:

	Fair Value	
	June 30, 2007	December 31, 2006
Investments of Consolidated Blackstone Funds	$ 8,914,046	$31,066,974
Equity Method Investments	1,797,495	133,335
Other Investments	67,884	63,264
	$10,779,425	$31,263,573

The fair value decrease of Investments of Consolidated Blackstone Funds is as a result of the deconsolidation of Blackstone Funds as described in Note 1.

Investments of Consolidated Blackstone Funds

The following table presents a condensed summary of the investments held by the consolidated Blackstone Funds. These investments are presented as a percentage of Investments of Consolidated Blackstone Funds:

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Geographic Region / Instrument Type / Industry Description or Investment Strategy	Fair Value		Percentage of Investments of Consolidated Blackstone Funds	
	June 30, 2007	December 31, 2006	June 30, 2007	December 31, 2006
United States and Canada				
Investment Funds, principally related to marketable alternative asset management funds				
Equity	$3,103,400	$ 2,408,012	34.8%	7.8%
Diversified Investments	2,393,169	2,145,729	26.8%	6.9%
Credit Driven	1,194,046	870,350	13.4%	2.8%
Other	381,330	473,908	4.3%	1.5%
Investment Funds Total (Cost: 2007 $5,456,197; 2006 $4,864,068)	7,071,945	5,897,999	79.3%	19.0%
Partnership and LLC Interests, principally related to corporate private equity and real estate funds				
Real Estate, including Consumer Business	379,141	7,323,918	4.3%	23.6%
Life Sciences	30,520	1,818,875	0.3%	5.9%
Technology, Media and Telecommunications	26,141	2,119,259	0.3%	6.8%
Energy	15,046	138,174	0.2%	0.4%
Other	164,742	1,261,889	1.8%	4.1%
Partnership and LLC Interests Total (Cost: 2007 $382,527; 2006 $8,169,518)	615,590	12,662,115	6.9%	40.8%
Equity Securities, principally related to marketable alternative asset management and corporate private equity funds				
Common Stock				
Manufacturing	461,868	1,858,483	5.2%	6.0%
Technology, Media and Telecommunications	74,639	2,104,697	0.8%	6.8%
Financial Services	40,297	1,055,661	0.5%	3.4%
Other	79,914	878,064	0.9%	2.8%
Common Stock Total (Cost: 2007 $571,789; 2006 $3,692,732)	656,718	5,896,905	7.4%	19.0%
Other, principally preferred stock and warrants (Cost: 2007 $12,914; 2006 $34,729)	12,002	63,856	0.1%	0.2%
Equity Securities Total (Cost: 2007 $584,703; 2006 $3,727,461)	668,720	5,960,761	7.5%	19.2%
Debt Instruments, principally related to marketable alternative asset management funds (Cost: 2007 $6,214; 2006 $394,805)	6,658	383,941	0.1%	1.2%
United States and Canada Total (Cost: 2007 $6,429,641; 2006 $17,155,852)	8,362,913	24,904,816	93.8%	80.2%

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Geographic Region / Instrument Type / Industry Description or Investment Strategy	Fair Value		Percentage of Investments of Consolidated Blackstone Funds	
	June 30, 2007	December 31, 2006	June 30, 2007	December 31, 2006
Europe				
Partnership and LLC Interests, principally related to corporate private equity and real estate funds				
Real Estate, including Consumer Business	$ 44,293	$ 1,239,778	0.5%	4.0%
Technology, Media and Telecommunications	97,613	1,099,904	1.1%	3.5%
Partnership and LLC Interests Total (Cost: 2007 $102,496; 2006 $1,966,987)	141,906	2,339,682	1.6%	7.5%
Equity Securities, principally related to corporate private equity funds				
Common Stock				
Manufacturing	104,846	—	1.2%	—
Technology, Media and Telecommunications	32,649	1,879,921	0.4%	6.1%
Other	121,849	1,437,567	1.4%	4.6%
Common Stock Total (Cost: 2007 $222,257; 2006 $2,595,354)	259,344	3,317,488	3.0%	10.7%
Other, principally preferred stock and warrants (Cost: 2007 $2,761; 2006 $188,618)	2,761	188,456	—	0.6%
Equity Securities Total (Cost: 2007 $225,018; 2006 $2,783,972)	262,105	3,505,944	3.0%	11.3%
Debt Instruments, principally related to marketable alternative asset management funds (Cost: 2007 $628; 2006 $44,774)	719	46,086	—	0.1%
Europe Total (Cost: 2007 $328,142; 2006 $4,795,733)	404,730	5,891,712	4.6%	18.9%
Asia, Africa, and Other (Cost: 2007 $128,035; 2006 $210,927, principally related to corporate private equity and marketable alternative asset management funds)	146,403	270,446	1.6%	0.9%
Total Investments of Consolidated Blackstone Funds (Cost: 2007 $6,885,818; 2006 $22,162,512)	$8,914,046	$31,066,974	100.0%	100.0%

At June 30, 2007 and December 31, 2006 respectively, there were no individual investments, which includes consideration of derivative contracts, with fair values exceeding 5% of Blackstone's net assets. At June 30, 2007 and December 31, 2006, consideration was given as to whether any individual consolidated fund of hedge funds, feeder fund or any other affiliate exceeded 5% of Blackstone's net assets. At June 30, 2007, the following investments of consolidated feeder funds had fair values which exceeded the 5% threshold: Blackstone Partners Non-Taxable Offshore Master Fund Ltd., $1,657,909; Blackport Capital Fund Ltd., $795,562; and Blackstone Park Avenue Non-Taxable Offshore Master Fund Ltd., $780,522. At December 31, 2006 there were no such investments.

Securities Sold, Not Yet Purchased. The following table presents the Partnership's Securities Sold, Not Yet Purchased held by the consolidated Blackstone Funds, which are principally held by certain of Blackstone's proprietary hedge funds. These investments are presented as a percentage of Securities Sold, Not Yet Purchased.

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Geographic Region / Instrument Type / Industry Description	Fair Value		Percentage of Securities Sold Not Yet Purchased	
	June 30, 2007	December 31, 2006	June 30, 2007	December 31, 2006
United States – Equity Instruments				
Index Funds	$246,063	$ 51,313	38.5%	12.1%
Manufacturing	158,744	133,991	24.8%	31.7%
Utilities	139,368	119,363	21.8%	28.3%
Financial Services	17,289	—	2.7%	—
Other	8,430	27,911	1.3%	6.6%
United States Total				
(Proceeds: 2007 $556,017; 2006 $330,605)	569,894	332,578	89.1%	78.7%
Europe – Equity Instruments				
Manufacturing	23,512	19,082	3.7%	4.5%
Utilities	—	34,331	—	8.1%
Other	8,831	—	1.4%	
Europe Total (Proceeds: 2007 $33,145; 2006 $50,358)	32,343	53,413	5.1%	12.6%
All other regions – Equity Instruments – Manufacturing				
(Proceeds: 2007 $36,222; 2006 $34,336)	36,745	36,797	5.8%	8.7%
Total (Proceeds: 2007 $625,384; 2006 $415,299)	$638,982	$ 422,788	100.0%	100.0%

Realized and Net Change in Unrealized Gains (Losses) from Blackstone Funds. Net Gains from Fund Investment Activities on the Condensed Consolidated and Combined Statements of Income include net realized gains (losses) from realizations and sales of investments and the net change in unrealized gains (losses) resulting from changes in fair value of the consolidated Blackstone Funds' investments. The following table presents the realized and net change in unrealized gains (losses) on investments held through the consolidated Blackstone Funds:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Realized Gains (Losses)	$ 235,485	$ 434,817	$ 470,074	$1,883,424
Net Change in Unrealized Gains (Losses)	473,088	(382,991)	897,598	(462,693)
	$ 708,573	$ 51,826	$1,367,672	$1,420,731

Investments in Variable Interest Entities. Blackstone consolidates certain variable interest entities ("VIEs") in addition to those entities consolidated under EITF 04-5, when it is determined that Blackstone is the primary beneficiary, either directly or indirectly, through a consolidated entity or affiliate. The assets of the consolidated VIEs are classified within Investments, at Fair Value. The liabilities of the consolidated VIEs are non-recourse to Blackstone's general credit.

At June 30, 2007, Blackstone was the primary beneficiary of VIEs whose gross assets were $1,510 million, which is the carrying amount of such financial assets in the consolidated financial statements. The nature of these VIEs include investments in private equity, real estate and funds of hedge funds assets.

Blackstone is also a significant variable interest holder in other VIEs which are not consolidated, as Blackstone is not the primary beneficiary. These VIEs represent certain Blackstone Funds that are funds of hedge funds. At June 30, 2007, gross assets of these entities were approximately $1,577 million. Blackstone's aggregate maximum exposure to loss is approximately $365 million as of June 30, 2007. Blackstone's involvement with these entities began on the dates that they were formed, which range from July 2002 to January 2006.

Equity Method Investments

Blackstone invests in corporate private equity funds, real estate funds, mezzanine funds, funds of hedge funds and hedge funds which are not required to be consolidated. The Partnership accounts for these investments under the equity method of accounting and Blackstone's share of operating income generated by these investments, which includes the unrealized gains or losses on a fair value basis, is recorded as a component of Investment Income and Other.

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A summary of Blackstone's equity method investments follows:

	Equity Investment		Equity in Net Income			
			Three Months Ended June 30,		Six Months Ended June 30,	
	June 30, 2007	December 31, 2006	2007	2006	2007	2006
Equity Method Investments	$1,797,495	$ 133,335	$ 489,973	$ 50,015	$ 1,200,699	$ 376,766

Other Investments

Other Investments consist primarily of investment securities held by Blackstone for its own account. The following table presents Blackstone's realized and net change in unrealized gains (losses) in other investments:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Realized Gains	$ 13,609	$ 123	$ 13,559	$ 103
Net Change in Unrealized Gains (Losses)	20,393	(1,219)	21,531	2,615
	$ 34,002	$ (1,096)	$ 35,090	$ 2,718

Fair Value Measurements

The Partnership adopted SFAS No. 157 as of January 1, 2007, which among other things, requires enhanced disclosures about investments that are measured and reported at fair value. SFAS No. 157 establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Investments measured and reported at fair value are classified and disclosed in one of the following categories.

Level I – Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments included in Level I include listed equities and listed derivatives. As required by SFAS No. 157, the Partnership does not adjust the quoted price for these investments, even in situations where Blackstone holds a large position and a sale could reasonably impact the quoted price.

Level II – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category include corporate bonds and loans, less liquid and restricted equity securities and certain over-the-counter derivatives.

Level III – Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. Investments that are included in this category generally include general and limited partnership interests in corporate private equity and real estate funds, mezzanine funds, funds of hedge funds, distressed debt and non-investment grade residual interests in securitizations and collateralized debt obligations.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Partnership's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

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The following table summarizes the valuation of Blackstone's investments by the above SFAS No. 157 fair value hierarchy levels as of June 30, 2007:

	Total	Level I	Level II	Level III
Investments of Consolidated Blackstone Funds	$8,914,046	$962,565	$1,170	$7,950,311
Equity Method Investments	1,797,495	4,902	—	1,792,593
Other Investments	67,884	13,291	1,910	52,683
Securities Sold, Not Yet Purchased	638,982	637,635	1,347	—

The following table summarizes the Level III investments by valuation methodology as of June 30, 2007.

Fair Value Based on	Corporate Private Equity	Real Estate	Marketable Alternative Asset Management	Total
Third-Party Fund Managers	—	—	72.6%	72.6%
Public / Private Company Comparables	10.7%	14.8%	1.9%	27.4%
Total	10.7%	14.8%	74.5%	100.0%

The changes in investments measured at fair value for which the Partnership has used Level III inputs to determine fair value are as follows:

	Six Months Ended June 30, 2007
Balance, December 31, 2006	$ 27,564,206
Transfers Out Due to Deconsolidation	(19,433,971)
Transfers In of Equity Method Investees Due to Deconsolidation	630,355
Transfers Out Due to Reorganization	(2,052,996)
Transfers In Due to Reorganization	430,449
Transfers Out	(60,821)
Purchases (Sales), Net	542,095
Realized and Unrealized Gains (Losses), Net	2,176,270
Balance, June 30, 2007	$ 9,795,587
Changes in Unrealized Gains (Losses) Included in Earnings Related to Investments Still Held at Reporting Date	$ 856,916

Total realized and unrealized gains and losses recorded for Level III investments are reported in Investment Income and Other and Net Gains from Fund Investment Activities in the Consolidated and Combined Statements of Income.

5. LOANS PAYABLE

On June 11, 2007 Blackstone amended its revolving credit facility increasing the credit available from $1 billion to $1.35 billion for a period of up to 15 business days after the amendment or 5 business days after the consummation date of the IPO, which ever occurred first. Certain compliance waivers were also granted and, following the Reorganization, new guarantor entities were designated. On June 27, 2007, the entire loan balance outstanding was repaid.

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As a result of the deconsolidation of Blackstone Funds, the credit facilities related to such funds are no longer a component of the consolidated loans payable balance. In all other respects, Blackstone's credit agreements have not significantly changed since December 31, 2006.

6. INCOME TAXES

Prior to the Reorganization, Blackstone provided for New York City unincorporated business tax for certain entities based on a statutory rate of 4%. Following the Reorganization, the Blackstone Holdings Partnerships will continue to operate in the U.S. as partnerships for U.S. federal income tax purposes and generally as corporate entities in non-U.S. jurisdictions; accordingly, these entities in some cases continue to be subject to the New York City unincorporated business tax or, in the case of non-U.S. entities to non-U.S. corporate income taxes. In addition, certain newly formed wholly-owned entities of the Partnership are subject to federal, state and local corporate income taxes.

Blackstone's effective income tax rate was approximately (0.3%) and 4.1% for the three months ended June 30, 2007 and 2006, respectively, and 0.6% and 2.1% for the six months ended June 30, 2007 and 2006, respectively. Blackstone's provision (benefit) for income taxes totaled $(2) million and $10 million for the three months ended June 30, 2007 and 2006, respectively, and $12 million and $16 million for the six months ended June 30, 2007 and 2006, respectively.

The difference between the effective tax rate for the three months and six months ended June 30, 2007, and the comparable 2006 periods is due to the following: (1) as discussed above, prior to the Reorganization, Blackstone provided for New York City unincorporated business tax, (2) following the Reorganization, certain newly formed wholly-owned subsidiaries were subject to federal, state and local corporate income taxes, and (3) Blackstone incurred significant charges following the Reorganization which produced a tax benefit at corporate income tax rates. The impact of the tax benefit recorded following the Reorganization offset a substantial portion of the tax recorded for the periods prior to the Reorganization calculated using the applicable New York City unincorporated business tax rate.

As discussed in Note 2, Blackstone adopted the provisions of FIN 48 on January 1, 2007. The adoption of FIN 48 did not have a material effect on the consolidated and combined financial position or results of operations.

Blackstone files its tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, Blackstone is subject to examination by federal and certain state, local and foreign tax regulators. As of January 1, 2007, the predecessor entities' U.S. federal income tax returns for the years 2003 through 2006 are open under the normal three-year statute of limitations and therefore subject to examination. State and local tax returns are generally subject to audit from 2002 through 2006. Currently, the City of New York is examining certain subsidiaries' tax returns for the years 2001 through 2004. Blackstone does not believe that the outcome of this examination will have a material impact on the condensed consolidated and combined financial statements.

7. NET INCOME (LOSS) PER COMMON UNIT

The Weighted-Average Common Units Outstanding, Basic and Diluted, are calculated as follows:

	June 19, 2007 Through June 30, 2007	
	Basic	Diluted
The Blackstone Group L.P. Common Units Outstanding	256,502,271	256,502,271
Weighted-Average Common Units Outstanding	256,502,271	256,502,271

For purposes of calculating diluted earnings (loss) per unit, the Partnership applies the treasury stock method to account for its outstanding deferred restricted common unit awards.

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Holders of Blackstone Holdings Partnership Units (other than the Partnership's wholly-owned subsidiaries), subject to the vesting requirements and transfer restrictions set forth in the partnership agreements of the Blackstone Holdings partnerships, may up to four times each year (subject to the terms of the exchange agreement) exchange their Blackstone Holdings Partnership Units for common units of the Partnership ("Blackstone Common Units") on a one-for-one basis. A Blackstone Holdings limited partner must exchange one partnership unit in each of the five Blackstone Holdings partnerships to effect an exchange for one Blackstone Common Unit. Consequently, the Partnership applies the "if converted method" to determine the dilutive effect, if any, that the exchange of all Blackstone Holdings Partnership Units would have on basic earnings per common unit. The assumed exchange of Blackstone Holdings Partnership Units includes an assumed tax effect resulting from the increased income (loss) allocated to the Partnership on the exchange of the Blackstone Holdings Partnership Units.

Basic and diluted net income (loss) per common unit are calculated as follows:

	June 19, 2007 Through June 30, 2007	
	Basic	Diluted
Net Loss Available to Common Unit Holders	$ (52,324)	$ (52,324)
Weighted-Average Common Units Outstanding	256,502,271	256,502,271
Net Loss per Common Unit	$ (0.20)	$ (0.20)

Basic and diluted loss per unit are identical for the period June 19, 2007 through June 30, 2007, as application of the treasury method for the Blackstone's Common Unit equivalents and the "if converted" method for vested and unvested Blackstone Holdings Partnership Units are anti-dilutive. For the period June 19, 2007 through June 30, 2007, 32,619,295 deferred restricted common units, 387,651,827 vested Blackstone Holdings Partnership Units and 439,864,817 unvested Blackstone Holdings Partnership Units were anti-dilutive and as such have been excluded from the calculation of diluted earnings per unit.

8. EQUITY BASED COMPENSATION

In conjunction with the IPO, the Partnership granted share-based compensation awards to Blackstone's senior managing directors, non-partner professionals, non-professionals and selected external advisors under the Partnership's 2007 Equity Incentive Plan (the "Equity Plan"), which is described below. The Equity Plan is designed to promote the long-term financial interests and growth of the Partnership. Under the terms of the Equity Plan, the Partnership has the ability to grant up to 163,000,000 Blackstone Common Units or Blackstone Holdings Partnership Units. Additionally, the total number of units subject to the Equity Plan may be increased annually. The Equity Plan allows for the granting of options, unit appreciation rights or other unit based awards (units, restricted units, restricted common units, deferred restricted common units, phantom restricted common units or other unit-based awards based in whole or in part on the fair value of the Blackstone Common Units or Blackstone Holdings Partnership Units).

For the period from June 19, 2007 through June 30, 2007, the Partnership recorded compensation expense of $236 million in relation to its equity based awards and a corresponding tax benefit of $17 million. As of June 30, 2007, there was $13,123 million of total unrecognized compensation expense related to non-vested share-based compensation arrangements granted under the Equity Plan. That cost is expected to be recognized over a weighted-average period of 6 years. The total fair value of units vested during the period June 19, 2007 through June 30, 2007 was $151 million and represents the portion of the initial awards to the non-senior managing directors at the IPO date.

Total outstanding units, including Blackstone Holdings Partnership Units and deferred restricted common units, were 1,087,688,320 as of June 30, 2007. Total outstanding phantom units were 951,948 as of June 30, 2007.

A summary of the status of the Partnership's non-vested equity based awards as of June 30, 2007, and changes during the period June 19, 2007 through June 30, 2007, is presented below.

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	Blackstone Holdings		The Blackstone Group L.P.			
			Equity Settled Awards		Cash Settled Awards	
Non-Vested Units	Partnership Units	Weighted-Average Grant Date Fair Value	Deferred Restricted Common Units	Weighted-Average Grant Date Fair Value	Phantom Units	Weighted-Average Grant Date Fair Value
Balance, June 19, 2007	439,864,817	$ 31.00	—	$ —	—	$ —
Granted	—	—	38,165,071	27.46	968,609	27.28
Vested	—	—	(5,504,109)	27.34	(16,661)	29.16
Forfeited	—	—	(41,667)	27.60	—	—
Balance, June 30, 2007	439,864,817	$ 31.00	32,619,295	$ 27.48	951,948	$ 27.25

Units Expected to Vest

The following unvested units, as of June 30, 2007, are expected to vest:

	Units	Weighted-Average Service Period in Years
Blackstone Holdings Partnership Units	429,860,152	6.1
Deferred Restricted Common Units	30,049,372	6.6
Total Equity Settled Awards	459,909,524	6.1
Phantom Units	809,564	2.7

The Partnership is in the process of evaluating how it will fund future unit issuances.

IPO Date Equity Awards

On June 27, 2007, the date of the consummation of the IPO, the Partnership granted 38,165,071 deferred restricted common units to the non-senior managing director professionals, analysts and senior finance and administrative personnel (of which 5,504,109 vested upon completion of the IPO), and 968,609 phantom units (deferred restricted cash settled equity awards) (of which 16,661 vested upon completion of the IPO) to the other non-senior managing director employees. Holders of deferred restricted common units and phantom units are not entitled to any voting rights. Only phantom units are to be settled in cash. Fair values have been derived based on the IPO price of $31 per unit, multiplied by the number of unvested awards, expensed over the assumed service period, which ranges from 1 to 8 years. Additionally, the calculation of the compensation expense assumes forfeiture rates based upon historical turnover rates, ranging from 1.0% to 18.4% annually by employee class, and a per unit discount, ranging from $1.13 to $3.76 as these unvested awards do not contain distribution participation rights.

Equity Settled Awards . Subject to a non-senior managing director professional's continued employment with Blackstone, the unvested deferred restricted common units granted to the non-senior managing director professional as part of the IPO Date Equity Award will vest, and the underlying Blackstone Common Units will be delivered, in one or more installments over a period of up to eight years following the IPO, predominantly five years; provided that a specified percentage of the Blackstone Common Units which would otherwise be delivered on each such vesting date will be retained, and delivery further deferred, until specified dates, subject to the non-senior managing director professional's compliance with the restrictive covenants that are applicable to such non-senior managing director professional. The first such scheduled delivery date will occur on or after the first anniversary of the IPO.

The Partnership will not make any distributions with respect to unvested deferred restricted common units granted to its non-senior managing director professionals in connection with the IPO Date Award.

Unless otherwise determined by the Partnership, upon the termination of a non-senior managing director professional's employment, for any reason, all unvested deferred restricted common units granted to the non-senior managing director professional as part of the IPO Date Equity Award and then held by the non-senior managing

director professional will be immediately forfeited without any payment or consideration, provided that (1) if such termination is due to death or permanent disability 100% of the unvested deferred units will become vested, or (2) if such termination occurs in connection with retirement, 50% of the unvested deferred units will become vested, and the underlying common units will be delivered in connection with such termination. In the event that a non-senior managing director professional breaches his or her restrictive covenants or is terminated for cause, all deferred restricted common units (whether vested or unvested), and any Blackstone Common Units then held by the non-senior managing director professional in respect of previously delivered deferred restricted common units, will be forfeited. Additionally, in connection with certain change of control events, any deferred restricted common units that are unvested will automatically be deemed vested as of immediately prior to such change in control and their delivery may be accelerated.

Cash-Settled Awards . Subject to a non-senior managing director employee's continued employment with Blackstone, the phantom deferred cash settled equity awards granted to the non-senior managing director employee as part of the IPO Date Award will vest in equal installments on each of the first, second and third anniversaries of the IPO or, in the case of certain term analysts, in a single installment on the date that the employee completes his or her current contract period with Blackstone. On each such vesting date, Blackstone will deliver cash to the non-senior managing employees in an amount equal to the number of phantom cash settled equity awards held by each such non-senior managing employee that will vest on such date multiplied by the then fair market value of the Blackstone Common Units on such date. Blackstone is accounting for these cash settled awards as a liability calculated in accordance with the provisions of FIN No. 28 , *Accounting for Stock Appreciation Rights and Other Variable Stock Option or Award Plans—an interpretation of APB Opinions No. 15 and 25.*

Blackstone paid $517 to non-senior managing director employees in settlement of phantom cash settled equity awards related to the period June 19 through June 30, 2007.

Exchange Units

At the time of the Reorganization, and under the Equity Plan, Blackstone's predecessor owners received 827,516,644 Blackstone Holdings Partnership Units, of which 387,651,827 were vested and 439,864,817 will vest over a period of up to 8 years from the IPO date. The Partnership is accounting for the unvested Blackstone Holdings Partnership Units as compensation expense in accordance with SFAS No. 123 (R). The unvested Blackstone Holdings Partnership Units are charged to compensation expense as the Blackstone Holdings Partnership Units vest over the service period on a straight-line basis. Compensation expense has been calculated based on the IPO value of $31 per unvested Blackstone Holdings Partnership Unit (based on the initial public offering price per Blackstone Common Unit), amortized to compensation expense over the service period, which ranges from 2 to 8 years. Additionally, the calculation of the compensation expense assumes a forfeiture rate of up to 8%, based on historical experience.

Generally, upon the termination of a senior managing director's employment, for any reason, all unvested Blackstone Holdings Partnership Units received by the senior managing director as part of the Reorganization and then held by the senior managing director will be immediately forfeited without any payment or consideration; provided that (1) if such termination is due to death or permanent disability 100% of the unvested Blackstone Holdings Partnership Units will become vested, or (2) if such termination occurs in connection with retirement, 50% of the unvested Blackstone Holdings Partnership Units will become vested. In the event that a senior managing director breaches his or her restrictive covenants or is terminated for cause, all Blackstone Holdings Partnership Units (whether vested or unvested), and any Blackstone Common Units then held by the senior managing director in respect of previously delivered unvested Blackstone Holdings Partnership Units, will be forfeited. Additionally, in connection with certain change of control events, any unvested Blackstone Holdings Partnership Units will automatically be deemed vested as of immediately prior to such change in control and their delivery may be accelerated.

Performance Awards

The Partnership has also granted performance based awards. These awards are based on the performance of certain businesses over the five-year period beginning January 2008, relative to a predetermined threshold. At this time, the Partnership has been unable to determine the probability that the threshold will be exceeded, and as such the

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Partnership has not recorded any expense related to these awards in the current period. The Partnership will continue to review the performance of these businesses, and will record an expense over the corresponding service period based on the most probable level of anticipated performance. This award will be accounted for as a liability under the guidance provided in SFAS No. 150, *Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity* , as the number of units to be granted in 2012 is dependent upon variations in something other than the fair value of the issuer's equity shares, i.e., the businesses' five-year profitability.

9. RELATED PARTY TRANSACTIONS

Affiliate Receivables and Payables

Blackstone Group considers its Founders, senior managing directors, employees, the Blackstone Funds, and the Portfolio Companies to be affiliates. As of June 30, 2007, Due from Affiliates and Due to Affiliates were comprised of the following:

	June 30, 2007	December 31, 2006
Due from Affiliates		
Payments Made on Behalf of Non-Consolidated Entities	$ 203,113	$ 63,857
Payments Made on Behalf of Predecessor Owners and Blackstone Employees for Investments in Blackstone Funds	166,541	189,373
Advances Made to Predecessor Owners	3,357	3,995
	$ 373,011	$ 257,225
Due to Affiliates		
Due to Predecessor Owners in Connection with the Tax Receivable Agreement	$1,350,902	$ —
Due to Predecessor Owners in Connection with Reorganization	623,942	—
Distributions Received on Behalf of Predecessor Owners and Blackstone Employees	113,130	47,732
Distributions Received on Behalf of Non-Consolidated Entities	2,536	54,911
Payments Made by Non-Consolidated Entities	2,209	785
	$2,092,719	$ 103,428

Interests of the Founders, Senior Managing Directors and Employees

In addition, the Founders, senior managing directors and employees invest on a discretionary basis in the Blackstone Funds both directly and through consolidated entities. Their investments may be subject to preferential management fee arrangements. As of June 30, 2007, the Founders, senior managing directors and employees' investments aggregated $1,648 million, and the Founders, senior managing directors and employees' share of the Non-Controlling Interests in Income of Consolidated Entities aggregated $157 million and $(7) million for the three months ended June 30, 2007 and 2006, respectively, and $313 million and $97 million for the six months ended June 30, 2007 and 2006, respectively.

Revenues from Affiliates

Management and Advisory Fees earned from affiliates totaled $97,183 and $91,966 for the three months ended June 30, 2007 and 2006, respectively, and $327,115 and $158,803 for the six months ended June 30, 2007 and 2006, respectively.

Loans to Affiliates

Loans to affiliates consist of interest-bearing advances to certain Blackstone individuals to finance their investments in certain Blackstone Funds. These loans earn interest at Blackstone's cost of borrowing and such interest totaled $1,748 and $1,680, respectively, for the three months ended June 30, 2007 and 2006, and $3,762 and $2,934, respectively, for the six months ended June 30, 2007 and 2006.

Contingent Repayment Guarantee

Blackstone personnel who have received carried interest distributions have guaranteed payment on a several basis (subject to a cap), to the corporate private equity, real estate and mezzanine funds of any contingent repayment (clawback) obligation with respect to the excess carried interest allocated to the general partners of such funds and indirectly received thereby to the extent that Blackstone fails to fulfill its clawback obligation, if any.

Aircraft and Other Services

In the normal course of business, Blackstone personnel have made use of aircraft owned as personal assets of the Founders ("Personal Aircraft"). In addition, on occasion, the Founders and their families have made use of an aircraft in which Blackstone owns a fractional interest, as well as other assets of Blackstone. The Founders paid for their respective purchases of the aircraft themselves and bear all operating, personnel and maintenance costs associated with their operation. In addition, the Founders are charged for their and their families' personal use of Blackstone assets based on market rates and usage. Payment by the Founders for their and their families' personal use of the Blackstone resources are principally, but not always, made at market rates. The transactions described herein are not material to the consolidated and combined financial statements.

Tax Receivable Agreement

Blackstone used a portion of the proceeds from the IPO and the sale of non-voting common units to Beijing Wonderful Investments to purchase interests in the predecessor businesses from the predecessor owners. In addition, holders of partnership units in Blackstone Holdings (other than wholly-owned subsidiaries of Blackstone), subject to vesting requirements and transfer restrictions, may up to four times each year (subject to the terms of the exchange agreement) exchange their Blackstone Holdings partnership units for Blackstone Common Units on a one-for-one basis. The purchase and subsequent exchanges are expected to result in increases in the tax basis of the tangible and intangible assets of Blackstone Holdings that otherwise would not have been available. These increases in tax basis may increase (for tax purposes) depreciation and amortization and therefore reduce the amount of tax that Blackstone's wholly-owned subsidiaries that are taxable as corporations for U.S. federal income purposes would otherwise be required to pay in the future.

Certain subsidiaries of the Partnership which are corporate taxpayers have entered into a tax receivable agreement with the predecessor owners that provides for the payment by the corporate taxpayers to such owners of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax that the corporate taxpayers actually realize (or are deemed to realize in the case of an early termination payment by the corporate taxpayers or a change in control, as discussed below) as a result of the aforementioned increases in tax basis and of certain other tax benefits related to entering into the tax receivable agreement, including tax benefits attributable to payments under the tax receivable agreement. This payment obligation is an obligation of the corporate taxpayers and not of Blackstone Holdings. The corporate taxpayers expect to benefit from the remaining 15% of cash savings, if any, in income tax that they realize. For purposes of the tax receivable agreement, cash savings in income tax will be computed by comparing the actual income tax liability of the corporate taxpayers to the amount of such taxes that the corporate taxpayers would have been required to pay had there been no increase to the tax basis of the tangible and intangible assets of Blackstone Holdings as a result of the exchanges and had the corporate taxpayers not entered into the tax receivable agreement. Assuming no material changes in the relevant tax law and that the corporate taxpayers earn sufficient taxable income to realize the full tax benefit of the increased amortization of the assets, the expected future payments under the tax receivable agreement (which are taxable to the recipients) in respect of the purchase will aggregate $1,351 million over the next 15 years. The present value of these estimated payments totals $470 million assuming a 12.5% discount rate and using an estimate of timing of the benefit to be received. Future payments under the tax receivable agreement in respect of subsequent exchanges would be in addition to these amounts. The payments under the tax receivable agreement are not conditioned upon the predecessor owners' continued ownership of Blackstone.

Other

Blackstone does business with and on behalf of some of its Portfolio Companies; all such arrangements are on a negotiated basis.

10. COMMITMENTS AND CONTINGENCIES

Guarantees – Blackstone had approximately $12 million of letters of credit outstanding to provide collateral support related to a credit facility at June 30, 2007.

Debt Covenants – Blackstone's debt obligations contain various customary loan covenants. In management's opinion, these covenants do not materially restrict Blackstone's investment or financing strategy. Blackstone is in compliance with all of its loan covenants as of June 30, 2007.

Investment Commitments – The general partners of the Blackstone Funds had unfunded commitments to each of their respective funds totaling $1,270 million as of June 30, 2007. In addition, Blackstone had $63 million of unfunded commitments to an infrastructure fund as of June 30, 2007.

Certain of Blackstone's funds of hedge funds not consolidated in these financial statements, have unfunded investment commitments to unaffiliated hedge funds of $558 million as of June 30, 2007. The funds of hedge funds consolidated in these financial statements may, but are not required to, allocate assets to these funds. Additionally, one of Blackstone's consolidated fund of hedge funds had an unfunded commitment of $21 million to an unaffiliated hedge fund.

Contingent Obligations (Clawback) – Included within Net Gains from Fund Investment Activities in the Consolidated and Combined Statements of Income are gains from Blackstone Fund investments. The portion of net gains attributable to non-controlling interest holders is included within Non-Controlling Interests in Income of Consolidated Entities. Net gains attributable to non-controlling interest holders are net of carried interest earned by Blackstone. Carried interest is subject to clawback to the extent that the carried interest recorded to date exceeds the amount due to Blackstone based on cumulative results. If, at June 30, 2007, all of the investments held by the carry funds, which are at fair value, were deemed worthless, a possibility that management views as remote, the amount of carried interest subject to potential clawback would be $1,898 million, on an after tax basis, at an assumed tax rate of 35%. As of June 30, 2007, Blackstone did not have a clawback obligation based upon the performance of the Blackstone Funds.

Contingent Performance Fees and Allocations – Performance fees and allocations related to marketable alternative asset management funds for the six month period ended June 30, 2007 includes $12.3 million attributable to arrangements where the measurement period has not ended.

Litigation – From time to time, Blackstone is named as a defendant in legal actions relating to transactions conducted in the ordinary course of business. After consultation with legal counsel, management believes the ultimate liability arising from such actions that existed as of June 30, 2007, if any, will not materially affect Blackstone's results of operations, financial position or cash flows.

Operating Leases – Blackstone leases office space under non-cancelable lease and sublease agreements. The related lease commitments have not changed materially since December 31, 2006.

11. SEGMENT REPORTING

Blackstone transacts its primary business in the United States and substantially all of its revenues are generated domestically.

Blackstone conducts its alternative asset management and financial advisory businesses through four reportable segments:

- Corporate Private Equity – Blackstone's corporate private equity segment comprises its management of corporate private equity funds.

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- Real Estate – Blackstone's real estate segment comprises its management of general real estate funds and two internationally focused real estate funds.
- Marketable Alternative Asset Management – Blackstone's marketable alternative asset management segment whose consistent focus is current earnings is comprised of its management of funds of hedge funds, mezzanine funds, senior debt vehicles, proprietary hedge funds and closed-end mutual funds.
- Financial Advisory – Blackstone's financial advisory segment comprises its mergers and acquisitions advisory services, restructuring and reorganization advisory services and fund placement services for alternative investment funds.

These business segments are differentiated by their various sources of income, with the Corporate Private Equity, Real Estate and Marketable Alternative Asset Management segments primarily earning their income from management fees and investment returns on assets under management, while the financial advisory segment primarily earns its income from fees related to investment banking services and advice and fund placement services.

Economic Net Income ("ENI") is a key performance measure used by management. ENI represents Net Income excluding the impact of income taxes, non-cash charges related to the amortization of intangibles and the non-cash charges related to vesting of equity-based compensation. However, the historical combined financial statements do not include non-cash charges related to amortization of intangibles and vesting of equity-based compensation. Therefore, ENI is equivalent to Income Before Provision (Benefit) from Taxes in the historical combined financial statements. ENI is used by management of our segments in making resource deployment and employee compensation decisions.

Management makes operating decisions and assesses the performance of each of Blackstone's business segments based on financial and operating metrics and data that is presented without the consolidation of any of the Blackstone Funds that are consolidated into the consolidated and combined financial statements. Consequently, all segment data excludes the assets, liabilities and operating results related to the Blackstone Funds.

The following tables present the financial data for Blackstone's four reportable segments as of and for the three and six month periods ended June 30, 2007, respectively:

	Three Months Ended June 30, 2007				
	Corporate Private Equity	Real Estate	Marketable Alternative Asset Management	Financial Advisory	Total Reportable Segments
Segment Revenues					
Management and Advisory Fees	$ 106,268	$ 78,933	$ 75,602	$97,518	$ 358,321
Performance Fees and Allocations	254,466	157,425	61,906	—	473,797
Investment Income and Other	65,415	83,853	31,138	1,034	181,440
Total Revenues	426,149	320,211	168,646	98,552	1,013,558
Expenses					
Compensation and Benefits	24,603	22,077	42,000	20,636	109,316
Other Operating Expenses	19,887	8,183	20,253	10,344	58,667
Total Expenses	44,490	30,260	62,253	30,980	167,983
Economic Net Income	$ 381,659	$289,951	$ 106,393	$67,572	$ 845,575

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	June 30, 2007 and the Six Months then Ended				
	Corporate Private Equity	Real Estate	Marketable Alternative Asset Management	Financial Advisory	Total Reportable Segments
Segment Revenues					
Management and Advisory Fees	$ 166,026	$ 325,834	$ 138,571	$190,044	$ 820,475
Performance Fees and Allocations	394,888	633,783	129,967	—	1,158,638
Investment Income and Other	92,511	147,324	56,397	2,718	298,950
Total Revenues	653,425	1,106,941	324,935	192,762	2,278,063
Expenses					
Compensation and Benefits	41,881	40,405	70,630	35,607	188,523
Other Operating Expenses	32,071	14,612	34,749	16,488	97,920
Total Expenses	73,952	55,017	105,379	52,095	286,443
Economic Net Income	$ 579,473	$1,051,924	$ 219,556	$140,667	$ 1,991,620
Segment Assets	$ 4,371,187	$3,139,697	$4,333,891	$142,517	$11,987,292

The following tables reconcile the Total Reportable Segments to Blackstone's Income Before Provision (Benefit) for Taxes and Total Assets as of and for the three and six month periods ended June 30, 2007, respectively:

	Three Months Ended June 30, 2007		
	Total Reportable Segments	Consolidation Adjustments	Blackstone Consolidated and Combined
Revenues	$ 1,013,558	$ (38,238)(a)	$ 975,320
Expenses	$ 167,983	$ 262,960 (b)	$ 430,943
Other Income	$ —	$ 601,682 (c)	$ 601,682
Economic Net Income	$ 845,575	$ (73,633)(d)	$ 771,942

	June 30, 2007 and the Six Months then Ended		
	Total Reportable Segments	Consolidation Adjustments	Blackstone Consolidated and Combined
Revenues	$ 2,278,063	$ (76,375)(a)	$ 2,201,688
Expenses	$ 286,443	$ 274,398 (b)	$ 560,841
Other Income	$ —	$1,197,563 (c)	$ 1,197,563
Economic Net Income	$ 1,991,620	$ (73,633)(d)	$ 1,917,987
Total Assets	$11,987,292	$6,792,599 (e)	$18,779,891

(a) The Revenues adjustment principally represents management and performance fees and allocations earned from Blackstone Funds to arrive at Blackstone consolidated and combined revenues which were eliminated in consolidation.
(b) The Expenses adjustment represents the addition of expenses of the consolidated Blackstone Funds to the Blackstone unconsolidated expenses, amortization of intangibles and expenses related to share-based payments to arrive at Blackstone consolidated and combined expenses.
(c) The Other Income adjustment results from the following.

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	Three Months Ended June 30, 2007	Six Months Ended June 30, 2007
Fund Management Fees and Performance Fees and Allocations Eliminated in Consolidation	$ 38,238	$ 76,375
Fund Expenses Added in Consolidation	19,531	30,968
Non-Controlling Interests in Income of Consolidated Entities	543,913	1,090,220
Total Consolidation Adjustments	$ 601,682	$1,197,563

(d) The reconciliation of Economic Net Income to Income Before Provision (Benefit) for Taxes as reported in the Consolidated and Combined Statements of Income consists of the following.

	Three Months Ended June 30, 2007	Six Months Ended June 30, 2007
Economic Net Income	$ 845,575	$1,991,620
Consolidation Adjustments		
Amortization of Intangibles	(7,200)	(7,200)
Expenses Related to Share-Based Payments	(236,228)	(236,228)
Decrease in Loss Associated with Non-Controlling Interests in Income (Loss) of Consolidated Entities Primarily Relating to the Blackstone Holdings Partnership Units Held by Blackstone Holdings Limited Partners	169,795	169,795
Total Adjustments	(73,633)	(73,633)
Income Before Provision (Benefit) for Taxes	$ 771,942	$1,917,987

(e) The Total Assets adjustment represents the addition of assets of the consolidated Blackstone Funds to the Blackstone unconsolidated assets to arrive at Blackstone consolidated and combined assets.

The following tables present financial data for Blackstone's four reportable segments for the three and six month periods ended June 30, 2006, respectively:

	Three Months Ended June 30, 2006				
	Corporate Private Equity	Real Estate	Marketable Alternative Asset Management	Financial Advisory	Total Reportable Segments
Segment Revenues					
Management and Advisory Fees	$ 108,155	$53,845	$ 43,390	$83,005	$288,395
Performance Fees and Allocations	22,228	30,920	(7,737)	—	45,411
Investment Income and Other	(4,765)	7,259	(3,181)	755	68
Total Revenues	125,618	92,024	32,472	83,760	333,874
Expenses					
Compensation and Benefits	14,088	15,741	16,946	9,689	56,464
Other Operating Expenses	15,590	7,769	13,949	6,392	43,700
Total Expenses	29,678	23,510	30,895	16,081	100,164
Economic Net Income	$ 95,940	$68,514	$ 1,577	$67,679	$233,710

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	Six Months Ended June 30, 2006				
	Corporate Private Equity	Real Estate	Marketable Alternative Asset Management	Financial Advisory	Total Reportable Segments
Segment Revenues					
Management and Advisory Fees	$ 186,588	$111,291	$ 83,777	$121,418	$503,074
Performance Fees and Allocations	168,617	135,495	16,510	—	320,622
Investment Income and Other	32,174	28,889	21,292	1,371	83,726
Total Revenues	387,379	275,675	121,579	122,789	907,422
Expenses					
Compensation and Benefits	27,204	31,257	32,452	18,399	109,312
Other Operating Expenses	24,324	14,220	23,459	9,369	71,372
Total Expenses	51,528	45,477	55,911	27,768	180,684
Economic Net Income	$ 335,851	$230,198	$ 65,668	$ 95,021	$726,738

The following tables reconcile the Total Reportable Segments to Blackstone's Income Before Provision (Benefit) for Taxes for the three and six month periods ended June 30, 2006, respectively:

	Three Months Ended June 30, 2006		
	Total Reportable Segments	Consolidation Adjustments	Blackstone Combined
Revenues	$ 333,874	$ (9,308)(a)	$ 324,566
Expenses	$ 100,164	$ 38,694 (b)	$ 138,858
Other Income	$ —	$ 55,500 (c)	$ 55,500
Economic Net Income	$ 233,710	$ —	$ 233,710

	Six Months Ended June 30, 2006		
	Total Reportable Segments	Consolidation Adjustments	Blackstone Combined
Revenues	$ 907,422	$ (27,359)(a)	$ 880,063
Expenses	$ 180,684	$ 56,770 (b)	$ 237,454
Other Income	$ —	$1,407,373 (c)	$1,407,373
Economic Net Income	$ 726,738	$ —	$ 726,738

(a) The Revenues adjustment principally represents management and performance fees and allocations earned from Blackstone Funds to arrive at Blackstone combined revenues which were eliminated in consolidation.
(b) The Expenses adjustment represents the addition of expenses of the consolidated Blackstone Funds to the Blackstone unconsolidated expenses to arrive at Blackstone consolidated and combined expenses.
(c) The Other Income adjustment results from the following.

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	Three Months Ended June 30, 2006	Six Months Ended June 30, 2006
Fund Management and Performance Fees and Allocations Eliminated in Consolidation	$ 9,308	$ 27,359
Fund Expenses Added in Consolidation	38,694	56,770
Non-Controlling Interests in Income of Consolidated Entities	7,498	1,323,244
Total Consolidation Adjustments	$ 55,500	$1,407,373

12. SUBSEQUENT EVENTS

On July 1, 2007, each Blackstone subsidiary that acts as the general partner of certain consolidated funds of hedge funds granted rights to the unaffiliated investors in these funds to provide that a simple majority of the investors will have the right, without cause, to accelerate the liquidation date of these funds in accordance with certain procedures. The granting of these rights, which were effective July 1, 2007, will result in the deconsolidation of such funds of hedge funds from the consolidated financial statements. Accordingly, the Partnership will no longer record the non-controlling interests share of these funds of hedge funds' partners' capital and net income. The effect of this adjustment, if reflected at June 30, 2007 and for the six month period then ended, would have changed the June 30, 2007 condensed consolidated financial statements as follows: assets – decrease of 29%; liabilities – decrease of 4%; revenues – decrease of 22%; expenses – decrease of 1%; and non-controlling interests in income of consolidated entities – decrease of 52%.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with The Blackstone Group L.P.'s condensed consolidated and combined financial statements and the related notes included within this Quarterly Report on Form 10-Q.

During the second quarter of 2007 we consummated a number of significant transactions, including the reorganization, the concurrent completion of our initial public offering and sale of non-voting common units to Beijing Wonderful Investments on June 27, 2007, and the deconsolidation of a number of Blackstone Funds. These transactions have had significant effects on many of the items within our condensed consolidated and combined financial statements and affects the comparison of the current year's periods with those of the prior year's. The deconsolidation of the Blackstone Funds became effective on June 27, 2007, with the exception of certain funds of hedge funds where the effective date of the deconsolidation is July 1, 2007. The pro forma effects of the deconsolidation of the funds on July 1, 2007 are described in Note 12 to our condensed consolidated and combined financial statements.

Our Business

Blackstone is one of the largest independent alternative asset managers in the world. We also provide a wide range of financial advisory services, including corporate and mergers and acquisitions advisory, restructuring and reorganization advisory and fund placement services.

Our business is organized into four business segments:

- **Corporate Private Equity.** We are a world leader in private equity investing, having managed five general private equity funds, as well as one specialized fund focusing on media and communications-related investments, since we established this business in 1987. Through our corporate private equity funds, we pursue transactions throughout the world, including leveraged buyout acquisitions of seasoned companies, transactions involving start-up businesses in established industries, turnarounds, minority investments, corporate partnerships and industry consolidations.
- **Real Estate.** Our real estate operation is diversified regionally and across a variety of sectors. We have managed six general real estate opportunity funds and two internationally focused real estate opportunity funds. Our real estate opportunity funds have made significant investments in lodging, major urban office buildings, residential properties, distribution and warehousing centers and a variety of real estate operating companies.
- **Marketable Alternative Asset Management.** Established in 1990, our marketable alternative asset management segment is comprised of our management of funds of hedge funds, mezzanine funds and senior debt vehicles, proprietary hedge funds and publicly-traded closed-end mutual funds. These products are intended to provide investors with greater levels of current income, and for certain products, a greater level of liquidity.
- **Financial Advisory** . Our financial advisory segment serves a diverse and global group of clients with corporate and mergers and acquisitions advisory services, restructuring and reorganization advisory services and fund placement services for alternative investment funds.

We generate our income from fees earned pursuant to contractual arrangements with funds, fund investors and fund portfolio companies (including management, transaction and monitoring fees), and from corporate and mergers and acquisitions advisory services, restructuring and reorganization advisory services and fund placement services for alternative investment funds. In certain management arrangements, we receive performance fees and allocations when the return on assets exceeds certain benchmark returns or other performance targets. We make significant investments in the funds we manage and, in most cases, we receive a preferred allocation of income (i.e., a "carried interest") or an incentive fee from an investment fund in the event that specified cumulative investment returns are achieved. Net investment gains and resultant Investment Income generated by the Blackstone funds, principally private equity and real estate funds, are driven by value created by our strategic initiatives as well as overall market conditions. Our funds initially record fund investments at cost and revise those values when there

have been significant changes in the fundamentals of the portfolio company, the portfolio company's industry or the overall economy. As our strategic initiatives at the portfolio company produce results and overall market conditions change, our funds recognize changes in the value of the underlying investment.

Historically, our most significant expense has been compensation and benefits, which will increase prospectively due to (1) payments to our senior managing directors of profit sharing based compensation following our initial public offering; (2) grants of unvested Blackstone Holdings partnership units to our senior managing directors and selected other individuals engaged in some of our businesses as part of the Reorganization; (3) awards of unvested deferred restricted common units of our other employees; and (4) ownership by our senior managing directors and selected other individuals of a portion of the carried interest income earned in respect of certain of the funds.

Business Environment

Our businesses are materially affected by conditions in the financial markets and economic conditions in the United States, Western Europe and to some extent elsewhere in the world. For a discussion of how market factors and economic conditions affect our performance, see "Management's Discussion and Analysis of Financial Condition and Results of Operations — Market Considerations" in our prospectus dated June 21, 2007 filed with the Securities and Exchange Commission on June 25, 2006.

During much of the second quarter of 2007, global economies and capital markets were favorable for our businesses, leading to strong year-over-year revenue growth in each of our four business segments. Despite pressure in the housing and sub-prime mortgage markets in the U.S., economic activity remained healthy, consumer spending was generally higher and equity markets were favorable, with U.S. and most global equities indices reaching new highs. Increased allocations by pension funds into alternative asset management products combined with improving equity markets and economic growth created favorable environments for our asset management and advisory businesses during the periods presented. Global merger and acquisition activity remained robust in the second quarter, leading to significant year-over-year increases in revenues from these activities.

During the past few years, private equity acquirers have benefited from particularly favorable conditions in the institutional loan and high yield markets, with interest rates being relatively low and lenders offering credit arrangements involving greater amounts of leverage, in many cases, less onerous covenants and other favorable terms. Beginning in the last week of June 2007, conditions in the institutional loan and high yield markets have become significantly less favorable for private equity acquirers, with lenders demanding higher interest rates and more covenants and offering considerably less leverage than had previously been available. Concerns about the sub-prime mortgage market and a large inventory of pending private equity and other leveraged finance transactions (including many that continued to seek the relatively favorable terms that had previously been available) appear to be the principal causes of these significant changes in the credit markets, rather than deterioration in corporate cash flows or borrowers' ability to service debt. As a result of these developments, lenders have been unable to syndicate senior loans or market high yield debt for a number of pending private equity transactions, which may result in the lenders being required to extend bridge loans to private equity acquirers in some transactions to enable such transactions to be consummated. If current credit market conditions prevail for a sustained period, many of the leading lenders can be expected to substantially cut back their financing commitments for new private equity transactions and increase the costs of the financing commitments that they do make, which would reduce both the overall market volume of buyout activity for a period of time and the competitiveness of private equity acquirers as compared to strategic acquirers. The duration of the current credit market conditions pertaining to private equity transactions and the lending environment once this market correction has run its course are unknown, but a prolonged continuation of current conditions could have an adverse impact on aspects of the Partnership's private equity business.

Bills have been introduced in the U.S. Congress that would (1) tax carried interest as ordinary income rather than capital gains for U.S. federal income tax purposes, and (2) have the effect of precluding the Partnership from qualifying for treatment as a partnership for U.S. federal income tax purposes under the publicly traded partnership rules. If enacted, any such proposed legislation would materially increase the amount of taxes paid by the Partnership and its equity holders.

Significant Transactions

Reorganization

The Blackstone Group L.P. was formed as a Delaware limited partnership on March 12, 2007. The Blackstone Group L.P. is managed and operated by its general partner, Blackstone Group Management L.L.C., which is in turn wholly-owned by Blackstone's senior managing directors and controlled by the Founders.

Blackstone's business was historically conducted through a large number of entities as to which there was no single holding entity but which were separately owned by its predecessor owners. In order to facilitate the initial public offering, as described in further detail below, the predecessor owners completed a reorganization (the "Reorganization") as of the close of business on June 18, 2007 whereby, with certain limited exceptions, each of the operating entities of the predecessor organization and the intellectual property rights associated with the Blackstone name, were contributed to five newly-formed holding partnerships (Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P. and Blackstone Holdings V L.P. (collectively, "Blackstone Holdings")) or sold to wholly-owned subsidiaries of Blackstone (which in turn contributed them to Blackstone Holdings). Blackstone, through wholly-owned subsidiaries, is the sole general partner of each of the Blackstone Holdings partnerships.

The Reorganization was accounted for as an exchange of entities under common control for the interests in the Contributed Businesses which were contributed by the Founders and the other senior managing directors (collectively, the "Control Group") and as an acquisition of non-controlling interests using the purchase method of accounting for all the predecessor owners other than the Control Group pursuant to Statement of Financial Accounting Standard ("SFAS") No. 141, *Business Combinations* ("SFAS No. 141").

Blackstone also entered into an exchange agreement with holders of partnership units in Blackstone Holdings (other than The Blackstone Group L.P.'s wholly-owned subsidiaries) so that these holders, subject to the vesting and minimum retained ownership requirements and transfer restrictions set forth in the partnership agreements of the Blackstone Holdings partnerships, may up to four times each year, exchange their Blackstone Holdings partnership units for the Partnership common units on a one-for-one basis, subject to customary conversion rate adjustments for splits, unit distributions and reclassifications. A Blackstone Holdings limited partner must exchange one partnership unit in each of the five Blackstone Holdings partnerships to effect an exchange for a common unit in Blackstone.

Initial Public Offering

On June 27, 2007, The Blackstone Group L.P. completed the initial public offering ("IPO") of its common units representing limited partner interests. Upon the completion of the IPO, public investors owned approximately 14.1% of Blackstone's equity. Concurrently with the IPO, The Blackstone Group L.P. completed the sale of non-voting common units, representing approximately 9.3% of Blackstone's equity to Beijing Wonderful Investments, an investment vehicle established by the People's Republic of China with respect to its foreign exchange reserve. Beijing Wonderful Investments is restricted in the future from purchasing common units so that its equity interest in Blackstone remains under 10%.

Blackstone contributed the proceeds from the IPO and the sale of non-voting common units to Beijing Wonderful Investments to its wholly-owned subsidiaries, Blackstone Holdings, which in turn used these proceeds to (1) purchase interests in the Contributed Businesses from the predecessor owners (and contribute these interests to Blackstone Holdings in exchange for a number of newly-issued Blackstone Holdings partnership units) and (2) purchase a number of additional newly-issued Blackstone Holdings partnership units from Blackstone Holdings.

The net proceeds to the Partnership from the IPO totaling approximately $2.9 billion were used to repay $1,210 million of indebtedness outstanding under Blackstone's revolving credit agreement, with the balance being invested and/or committed as general partner investments in Blackstone sponsored funds, including its corporate private equity funds, real estate funds, mezzanine funds, funds of hedge funds and hedge funds, and invested in temporary interest bearing investments.

Consolidation and Deconsolidation of Blackstone Funds

In accordance with GAAP, as described above, a number of the Blackstone Funds were historically consolidated into the Partnership's combined financial statements.

Concurrently with the Reorganization, the Contributed Businesses that act as a general partner of a consolidated Blackstone fund (with the exception of the Partnership's proprietary hedge funds and four of the funds of hedge funds) took the necessary steps to grant rights to the unaffiliated investors in each respective fund to provide that a simple majority of the fund's investors will have the right, without cause, to remove the general partner of that fund or to accelerate the liquidation of that fund in accordance with certain procedures. The granting of these rights results in the deconsolidation of such investment funds from the Partnership's consolidated and combined financial statements. For all Blackstone funds where these rights were granted, with the exception of the funds of hedge funds, these rights became effective on June 27, 2007. The effective date of these rights related to the applicable funds of hedge funds was July 1, 2007. Once the rights become effective, the Partnership's interests in these funds are deconsolidated and accounted for under the equity method of accounting. As permitted by GAAP, the change from consolidation to equity method accounting has been retroactively presented as if the rights that became effective June 27, 2007 had been granted effective January 1, 2007.

Key Financial Measures and Indicators

Revenues

Revenues consist of primarily management and advisory fees, performance fees and allocations and investment income and other.

Management and Advisory Fees. Management and advisory fees consist of (1) fund management fees and (2) advisory fees.

(1) *Fund Management Fees* . Fund management fees are comprised of fees charged directly to funds, fund investors and fund portfolio companies (including management, transaction and monitoring fees). Such fees are based upon the contractual terms of investment advisory and related agreements and are recognized as earned over the specified contract period. Our investment advisory agreements generally require that the investment advisor share a portion of certain fees and expenses with the limited partners of the fund. These shared items ("management fee reduction amounts") reduce the management fees received from the limited partners.

(2) *Advisory Fees.* Advisory fees consist of advisory retainer and transaction based fee arrangements related to mergers, acquisitions, restructurings, divestitures and fund placement services for alternative investment funds. Advisory retainer fees are recognized when services are rendered. Transaction fees are recognized when (i) there is evidence of an arrangement with a client, (ii) agreed upon services have been provided, (iii) fees are fixed or determinable and (iv) collection is reasonably assured. Fund placement services revenue is recognized as earned upon the acceptance by a fund of capital or capital commitments.

Performance Fees and Allocations. Performance fees and allocations represent the preferential allocations of profits ("carried interest") which are a component of our general partnership interests in the corporate private equity, real estate, and mezzanine funds. We are entitled to carried interest from an investment fund in the event investors in the fund achieve cumulative investment returns in excess of a specified rate. We record as revenue the amount that would be due to us pursuant to the fund agreements at each period end as if the fund agreements were terminated at that date. Prior to the application of the deconsolidation of the carried interest funds, amounts related to carried interest were recorded as a component of Net Gains from Investment Activities. In certain performance fee arrangements related to hedge funds in our marketable alternative asset management segment, we are entitled to receive performance fees and allocations when the return on assets under management exceeds certain benchmark returns or other performance targets. In such arrangements, performance fees and allocations are accrued monthly or quarterly based on measuring account / fund performance to date versus the performance benchmark stated in the investment management agreement.

Investment Income. Blackstone and its consolidated funds generate realized and unrealized gains from underlying investments in corporate private equity, real estate and marketable alternative asset management funds. Net gains (losses) from our investment activities and resultant Investment Income reflect a combination of internal and external factors. The external factors affecting the net gains associated with our investing activities vary by asset class but are broadly driven by the market considerations discussed above. The key external measures that we monitor for purposes of deriving our investment income include: price/earnings ratios and earnings before interest, taxes, depreciation and amortization ("EBITDA") multiples for benchmark public companies and comparable transactions and capitalization rates ("cap rates") for real estate property investments. In addition, third-party hedge fund managers provide information regarding the valuation of hedge fund investments. These measures generally represent the relative value at which comparable entities have either been sold or at which they trade in the public marketplace. Other than the information from our hedge fund managers, we refer to these measures generally as exit multiples. Internal factors that are managed and monitored include a variety of cash flow and operating performance measures, most commonly EBITDA and net operating income.

The funds' investments are diversified across a variety of industries and geographic locations, and as such we are broadly exposed to the market conditions and business environments referred to above. As a result, although our funds are exposed to market risks, we continuously seek to limit concentration of exposure in any particular sector.

Expenses

Compensation and Benefits Expense. Prior to the IPO, our compensation and benefits expense reflected compensation (primarily salary and bonus) paid solely to our non-senior managing director employees. As a result of the IPO, compensation and benefits expense will reflect (1) employee compensation and benefits—employee compensation and benefits expense paid to our employees including our senior managing directors and our non-senior managing director employees, (2) equity based compensation—the recognition of expense associated with grants of unvested deferred restricted common and Blackstone Holdings partnership units awarded to senior managing directors and employees over the corresponding service period, and (3) profit sharing based compensation payments for existing owners and profit sharing interests in carried interest.

(1) *Employee Compensation and Benefits* . Our compensation arrangements with our employees contain a significant profit sharing based bonus component. Therefore, as our net revenues increase, our compensation costs also rise. In addition, our compensation costs reflect the increased investment in people as we expand geographically and create new products and businesses. Historically, all payments for services rendered by our senior managing directors and selected other individuals engaged in our businesses have been accounted for as partnership distributions rather than as employee compensation and benefits expense. As a result, our employee compensation and benefits expense had not reflected payments for services rendered by these individuals. Following the IPO, we will be including all payments for services rendered by our senior managing directors in employee compensation and benefits expense.

(2) *Equity Based Compensation* . As a result of the IPO, compensation and benefits reflects the recognition of significant non-cash equity-based compensation as unvested Blackstone Holdings partnership units received in the Reorganization by our senior managing directors and other individuals engaged in some of our businesses, and unvested deferred restricted common units granted to our non-senior managing director professionals at the time of the IPO are charged to expense over the corresponding service period.

(3) *Profit Sharing Arrangements* . We have implemented profit sharing arrangements for our existing owners working in our businesses across our different operations designed to achieve a relationship between compensation levels and results that are appropriate for each operation given prevailing market conditions. In addition, the existing owners working in our businesses, other professionals and selected other individuals who work on our carry funds have a profit sharing interest in the carried interest earned in relation to these funds in order to better align their interests with our own and with those of the investors in these funds.

General, Administrative and Other. The balance of our expenses include interest expense, occupancy and equipment expenses and general, administrative and other expenses, which consist of professional fees, travel and related expenses, communications and information services, depreciation and amortization and other operating expenses. As part of the Reorganization we acquired interests in our businesses from our existing owners. We accounted for the acquisition of the interests from our existing owners other than our Founders and other senior managing directors using the purchase method of accounting, and reflect the excess of the purchase price over the fair value of the tangible assets acquired and liabilities assumed as goodwill and intangible assets in our condensed consolidated and combined statement of financial condition. We preliminarily estimate that we will record in excess of $722 million of finite lived intangible assets (in addition to approximately $1.551 billion of goodwill). We anticipate amortizing these finite lived intangibles over their estimated useful lives, which are expected to range between three and ten years, using the straight line method. In addition, as part of the Reorganization, our existing owners received 827,516,644 Blackstone Holdings partnership units, of which 439,864,817 are unvested. The grant date fair value of the unvested Blackstone Holdings partnership units (which is based on the initial public offering price per common unit in the IPO) is charged to expense as the Blackstone Holdings partnership units vest over the assumed service periods, which range up to eight years, on a straight line basis. The amortization of these finite lived intangible assets and of this non cash equity based compensation will increase our expenses substantially during the relevant periods and, as a result, we expect to record significant net losses for a number of years.

Fund Expenses. The expenses of our consolidated Blackstone funds consist primarily of interest expense, professional fees and other third-party expenses. These expenses will be significantly lower in our future financial statements as a result of the deconsolidation of the related investment funds effective July 1, 2007.

Non-Controlling Interests in Income of Consolidated Entities

On a historical basis, non-controlling interests in income of consolidated entities has primarily consisted of interests of unaffiliated third-party investors and AIG's investments in Blackstone funds pursuant to AIG's mandated limited partner capital commitments, on which we receive carried interest allocations and which we refer to collectively as "Limited Partners" or "LPs" as well as discretionary investments by the other existing owners and employees. Non-controlling interests related to the corporate private equity, real estate opportunity and mezzanine funds are subject to on-going realizations and distributions of proceeds therefrom during the life of a fund with a final distribution at the end of each respective fund's term, which could occur under certain circumstances in advance of or subsequent to that fund's scheduled termination date. Non-controlling interests related to our funds of hedge funds and hedge funds are generally subject to annual, semi-annual or quarterly withdrawal or redemption by investors in our hedge funds following the expiration of a specified period of time when capital may not be withdrawn (typically between one and three years). When redeemed amounts become legally payable to investors in our hedge funds on a current basis, they are reclassified as a liability. On the date of the Reorganization, such non-controlling interests were initially recorded at their historical carry-over basis as those interests remained outstanding and were not being exchanged for partnership units of Blackstone Holdings.

Following the IPO, we are no longer consolidating most of our investment funds, as we have granted liquidation rights to the unrelated investors, see "Consolidation and Deconsolidation of Blackstone Funds", and accordingly non-controlling interests in income of consolidated entities related to the Limited Partner interests in the deconsolidated funds are no longer reflected in our financial results. However, we record significant non-controlling interests in income of consolidated entities relating to the ownership interest of our existing owners in Blackstone Holdings and the limited partner interests in our investment funds that remain consolidated. As described in "Reorganization of The Blackstone Group L.P.", The Blackstone Group L.P. is, through wholly-owned subsidiaries, the sole general partner of each of the Blackstone Holdings partnerships. The Blackstone Group L.P. consolidates the financial results of Blackstone Holdings and its consolidated subsidiaries, and the ownership interest of the limited partners of Blackstone Holdings is reflected as a non-controlling interest in The Blackstone Group L.P.'s condensed consolidated and combined financial statements.

Income Taxes

We have historically operated as a partnership for U.S. federal income tax purposes and mainly as a corporate entity in non-U.S. jurisdictions. As a result, our income has not been subject to U.S. federal and state income taxes. Taxes related to income earned by these entities represent obligations of the individual partners and members. Income taxes shown on Blackstone Group's historical combined income statements are attributable to the New York City unincorporated business tax and income taxes on certain entities located in non-U.S. jurisdictions.

Following the IPO, the Blackstone Holdings partnerships and their subsidiaries continue to operate in the U.S. as partnerships for U.S. federal income tax purposes and generally as corporate entities in non-U.S. jurisdictions; accordingly, these entities in some cases will continue to be subject to New York City unincorporated business taxes or non-U.S. income taxes. In addition, certain of the wholly-owned subsidiaries of The Blackstone Group L.P. will be subject to corporate federal, state and local income taxes that will be reflected in our condensed consolidated and combined financial statements.

As noted in "Business Environment", bills have been introduced in the U.S. Congress that would (1) tax carried interest as ordinary income rather than capital gains for U.S. federal income tax purposes, and (2) have the effect of precluding the Partnership from qualifying for treatment as a partnership for U.S. federal income tax purposes under the publicly traded partnership rules. If enacted, any such proposed legislation would materially increase the amount of taxes paid by the Partnership and its equity holders.

Operating Metrics

The alternative asset management business is a complex business that is unusual due to its ability to support rapid growth without requiring substantial capital investment. However, there also can be volatility associated with its earnings and cash flow. Since our inception, we have developed and used various key operating metrics to assess and monitor the operating performance of our various alternative asset management businesses in order to monitor the effectiveness of our value creating strategies.

Assets Under Management. Assets under management refers to the assets we manage. Our assets under management equal the sum of: (1) the fair value of the investments held by our carry funds plus the capital that we are entitled to call from investors in those funds pursuant to the terms of their capital commitments to those funds (plus the fair value of co-investments arranged by us that were made by limited partners of our corporate private equity and real estate opportunity funds in portfolio companies of such funds, as to which we receive fees or a carried interest allocation); (2) the net asset value of our funds of hedge funds, proprietary hedge funds and closed-end mutual funds; and (3) the amount of capital raised for our senior debt funds. The assets under management measure also includes assets under management relating to our own and our employees' investments in funds for which we charge either no or nominal management fees. As a result of raising new funds with sizeable capital commitments, and increases in the net asset values of our funds and their retained profits, our fee earning assets under management have increased significantly over the periods discussed.

Limited Partner Capital Invested. Limited Partner capital invested represents the amount of Limited Partner capital commitments which were invested by our carry funds during each period presented. Over our history we have earned aggregate multiples of invested capital for realized and partially realized investments of 2.6x and 2.4x in our corporate private equity and real estate opportunity funds, respectively.

We manage our business using traditional financial measures and our key operating metrics, since we believe that these metrics measure the productivity of our investment activities.

Condensed Consolidated and Combined Results of Operations

Following is a discussion of our condensed consolidated and combined results of operations for the three months ended June 30, 2007 and 2006 and for the six months ended June 30, 2007 and 2006. For a more detailed discussion of the factors that affected the results of our four business segments (which are presented on a basis that deconsolidates the investment funds we manage) in these periods, see "—Segment Analysis" below.

The following table sets forth information regarding our condensed consolidated and combined results of operations and certain key operating metrics for the three months ended June 30, 2007 and 2006 and for the six months ended June 30, 2007 and 2006:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
	(Dollars in Thousands)			
Revenues				
Management and Advisory Fees	$ 341,695	$ 278,668	$ 789,096	$ 484,109
Performance Fees and Allocation	453,750	47,781	1,116,247	313,457
Investment Income and Other	179,875	(1,883)	296,345	82,497
Total Revenues	975,320	324,566	2,201,688	880,063
Expenses				
Compensation and Benefits	345,545	56,463	424,752	109,313
Interest	15,180	12,692	26,302	20,180
General, Administrative and Other	50,687	31,009	78,819	51,191
Fund Expenses	19,531	38,694	30,968	56,770
Total Expenses	430,943	138,858	560,841	237,454
Other Income				
Net Gains from Fund Investment Activities	601,682	55,500	1,197,563	1,407,373
Income Before Non-Controlling Interests in Income of Consolidated Entities and Provision (Benefit) for Taxes	1,146,059	241,208	2,838,410	2,049,982
Non-Controlling Interests in Income of Consolidated Entities	374,117	7,498	920,423	1,323,244
Income Before Provision (Benefit) for Taxes	771,942	233,710	1,917,987	726,738
Provision (Benefit) for Taxes	(2,409)	9,647	11,560	15,520
Net Income	$ 774,351	$ 224,063	$ 1,906,427	$ 711,218
Assets Under Management (at Period End)	$91,768,870	$60,512,304	$91,768,870	$60,512,304
Capital Deployed:				
Limited Partner Capital Invested	$ 1,729,914	$ 3,065,157	$ 5,608,276	$ 4,576,059

Three Months Ended June 30, 2007 Compared to Three Months Ended June 30, 2006

Revenues

Revenues were $975.3 million for the three months ended June 30, 2007, an increase of $650.8 million or 200.5% versus the three months ended June 30, 2006. The increase was primarily due to an increase of $181.8 million in investment income, an increase of $406.0 million in performance fees and allocations, an increase of $48.5 million in fund management fees and an increase of $14.5 million in advisory fees. The increase in fund management fees was primarily due to increased fund related fees in both our Real Estate and Marketable Alternative Asset Management segments. Real Estate's increase was driven by $34.7 million of management fees from our new fund, Blackstone Real Estate Partners VI. Marketable Alternative Asset Management's increase was driven by a $15.2 billion increase in assets under management from June 30, 2006 to June 30, 2007, primarily due to significant inflows from institutional investors and positive fund performance. The increase in investment income and performance fees and allocations (general partner carried interest allocations) was comprised of increases in the Corporate Private Equity, Real Estate and Marketable Alternative Asset Management segments of $302.4 million, $203.1 million and $103.9 million respectively, as a result of the strong performance of the funds' investments in each segment.

Other Income

Other Income was $601.7 million for the three months ended June 30, 2007, an increase of $546.2 million or 984.1% versus the three months ended June 30, 2006. These gains arose at the Blackstone Funds level of which $544.0 million and $7.5 million were allocated to non-controlling interest holders for the three months ended June 30, 2007 and June 30, 2006, respectively.

Expenses

Expenses were $430.9 million for the three months ended June 30, 2007, an increase of $292.1 million or 210.3% versus the three months ended June 30, 2006. The increase was primarily due to an increase in employee compensation and benefits of $289.1 million reflecting increased compensation to existing personnel based upon

strong financial performance as well as the net addition of personnel to support the growth of each of our business segments including office openings and expansion in London, Hong Kong and India. Included in this increase is equity based compensation of $236.2 million and profit sharing arrangements of $6.8 million. Occupancy related and general, administrative and other expenses increased by $19.7 million as a result of the growth of our business including office openings and international expansion. These increases were offset by a decrease in fund expenses of $19.2 million due to the deconsolidation of certain Blackstone funds.

Capital Deployed

LP Capital Invested was $1.7 billion for the three months ended June 30, 2007, a decrease of $1.3 billion, or 43.6%, versus the three months ended June 30, 2006. The decrease represents a decrease in the amount of investments closed in both our corporate private equity and real estate segments. However, at June 30, 2007, our corporate private equity and real estate segments had a total of $4.8 billion of LP Capital committed to transactions scheduled to close in subsequent periods. Additionally, on July 3, 2007, we agreed to purchase Hilton Hotels Corporation and have committed approximately $4.0 billion of LP Capital to that purchase.

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Revenues

Revenues were $2.2 billion for the six months ended June 30, 2007, an increase of $1.3 billion or 150.2% versus the six months ended June 30, 2006. The increase was primarily due to an increase of $236.4 million in fund management fees, an increase of $213.8 million in investment income and an increase of $802.8 million in performance fees and allocations, and an increase of $68.6 million in advisory fees. The increase in fund management fees was primarily due to increased fund related fees in both our Real Estate and Marketable Alternative Asset Management segments. Real Estate's increase was driven by $44.1 million of management fees from our new fund, Blackstone Real Estate Partners VI. Marketable Alternative Asset Management's increase was driven by a $15.2 billion increase in assets under management, primarily due to significant inflows from institutional investors and positive fund performance. The increase in investment income and performance fees and allocations (general partner carried interest allocations) was comprised of increases in the Corporate Private Equity, Real Estate and Marketable Alternative Asset Management segments of $286.6 million, $616.7 million and $148.6 million respectively, as a result of the strong performance of the funds' investments in each segment. The increase in performance fees and allocations was primarily due to significant net appreciation of our funds' investments in our Corporate Private Equity and Real Estate segments, specifically the technology, media and telecommunications, office and hotel sectors. Additionally, positive performance and a larger asset base in the Marketable Alternative Asset Management segment contributed to the increase in performance fees and allocations.

Other Income

Other Income was $1.2 billion for the six months ended June 30, 2007, a decrease of $209.8 million or 14.9% versus the six months ended June 30, 2006. These gains arose at the Blackstone Funds level of which $1.1 billion and $1.3 billion were allocated to non-controlling interest holders for the six months ended June 30, 2007 and June 30, 2006, respectively.

Expenses

Expenses were $560.8 million for the six months ended June 30, 2007, an increase of $323.4 million or 136.2% versus the six months ended June 30, 2006. The increase was primarily due to an increase in employee compensation and benefits of $315.4 million reflecting the increased investment activities in 2007 as well as the net addition of personnel. Included in this increase is equity based compensation of $236.2 million and profit sharing arrangements of $6.8 million. Occupancy related and general, administrative and other expenses increased by $27.6 million as a result of the growth of our business including office openings and international expansion. These increases were offset by a decrease in fund expenses of $25.8 million due to the deconsolidation of certain Blackstone funds.

Assets Under Management

Assets under management were $91.8 billion at June 30, 2007, an increase of $31.3 billion or 51.7% versus June 30, 2006. The increase was due to increases in assets under management of $4.0 billion in our corporate private equity segment, $12.1 billion in our real estate segment and $15.2 billion in our marketable alternative asset management segment.

Capital Deployed

LP Capital Invested was $5.6 billion for the six months ended June 30, 2007, an increase of $1.0 billion, or 22.6%, versus the six months ended June 30, 2006. The increase was primarily due to increased investment activity in our real estate segment ($2.6 billion), partially offset by a decrease in our corporate private equity segment ($1.6 billion). However, at June 30, 2007, our corporate private equity and real estate segments had a total of $4.8 billion of LP Capital committed to transactions scheduled to close in subsequent periods. Additionally, on July 3, 2007, we agreed to purchase Hilton Hotels Corporation and have committed approximately $4.0 billion of LP Capital to that purchase.

Segment Analysis

Discussed below are our results of operations for each of our reportable segments. This information is reflected in the manner utilized by our senior management to make operating decisions, assess performance and allocate resources. A key performance measure historically used by management is Economic Net Income ("ENI").

ENI represents net income excluding the impact of income taxes as well as the impact of non-cash charges related to vesting of certain compensation arrangements. However, our historical condensed consolidated and combined financial statements do not include non-cash charges related to vesting of equity based compensation. Therefore, ENI is equivalent to income before taxes in our historical condensed consolidated and combined financial statements. ENI is used by management for our segments in making resource deployment and compensation decisions.

Revenues and expenses are presented on a basis that deconsolidates the investment funds we manage. As a result, segment revenues are greater than those presented on a combined GAAP basis because fund management fees recognized in certain segments are received from the Blackstone funds and eliminated in consolidation when presented on a combined GAAP basis. Furthermore, segment expenses are lower than related amounts presented on a combined GAAP basis due to the exclusion of fund expenses that are paid by LPs and the elimination of non-controlling interests.

Corporate Private Equity

The following table presents our results of operations for our corporate private equity segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
	(Dollars in Thousands)			
Segment Revenues				
Management Fees	$ 106,268	$ 108,155	$ 166,026	$ 186,588
Performance Fees and Allocations	254,466	22,228	394,888	168,617
Investment Income and Other	65,415	(4,765)	92,511	32,174
Total Revenues	426,149	125,618	653,425	387,379
Expenses				
Compensation and Benefits	24,603	14,088	41,881	27,204
Other Operating Expenses	19,887	15,590	32,071	24,324
Total Expenses	44,490	29,678	73,952	51,528
Economic Net Income	$ 381,659	$ 95,940	$ 579,473	$ 335,851

The following operating metrics are used in the management of this business segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
	(Dollars in Thousands)			
Assets Under Management (at Period End)	$31,758,025	$27,731,709	$31,758,025	$27,731,709
Capital Deployed:				
Limited Partner Capital Invested	$ 1,603,508	$ 2,412,834	$ 1,660,203	$ 3,273,854

Our corporate private equity segment performed well in the three months ended and six months ended June 30, 2007, with revenues and ENI rising significantly above the same periods in 2006. Throughout much of the periods presented, the investing climate for our corporate private equity segment remained fundamentally positive, with the global economy, particularly in the United States, performing well, corporate sale transactions relatively active, private equity funds increasingly being considered for acquisitions of public and private companies and availability of debt financing on attractive terms. As discussed above under “Business Environment”, concerns over weakness in the U.S. housing market and sub-prime mortgage market, coupled with a large volume of debt financings in backlog for pending private equity transactions, created more challenging financing conditions starting in the final week of the quarter which have continued to date. The duration of the current credit market conditions pertaining to private equity transactions and the lending environment once this market correction has run its course are unknown, but a prolonged continuation of current conditions could have an adverse impact on aspects of the Partnership’s private equity business.

Three Months Ended June 30, 2007 Compared to Three Months Ended June 30, 2006

Revenues

Revenues were $426.1 million for the three months ended June 30, 2007, an increase of $300.5 million or 239.2% versus the three months ended June 30, 2006. The increase was primarily due to an increase of $232.2 million in performance fees and allocations (general partner carried interest allocations), an increase of $70.2 million in investment income and a decrease of $1.9 million in fund management fees. The increases in performance fees and allocations and investment income were primarily due to an increase of $1.7 billion in net appreciation in certain underlying funds’ portfolio investments. For the three months ended June 30, 2007, our funds’ investments in the technology, media and telecommunications and manufacturing sectors benefited from operating improvements (including cost savings initiatives) by the portfolio companies and increased share price of certain public investments resulting in an increase in the value of these investments. Comparatively, in the 2006 quarter, our funds’ investments incurred a net decline in fair market value of $129.6 million. Management fees for the three months ended June 30, 2007 totaled $106.3 million, a decrease of $1.9 million versus the three months ended June 30, 2006. This net decrease was primarily due to management fee reduction amounts increasing by $8.6 million over the comparable prior quarter reduction amounts of $4.0 million and transaction fees decreasing by approximately $2.2 million from the comparable prior quarter transaction fees of $46.9 million. These decreases were partially offset by a $2.6 million increase in base management fees over the comparable prior quarter base management fees of $60.2 million due to greater fee paying assets under management and an increase in monitoring fees related to portfolio companies of $7.5 million over the comparable prior quarter monitoring fees of $4.6 million.

Expenses

Expenses were $44.5 million for the three months ended June 30, 2007, an increase of $14.8 million or 49.9% versus the three months ended June 30, 2006. The increase was primarily due to an increase in compensation and benefits of $10.5 million, reflecting period over period expected increases, the growth of the team and increased investment activity and resultant revenues in 2007. In addition, professional fees increased by $4.4 million, primarily due to increased investment activity.

Capital Deployed

LP Capital Invested in private equity transactions was $1.6 billion for the three months ended June 30, 2007, a decrease of $809.3 million or 33.5%, versus the three months ended June 30, 2006. This decrease reflects a reduction in investments closed during the three months ended June 30, 2007, versus the three months

ended June 30, 2006. However, at June 30, 2007, $4.4 billion of LP capital had been committed to transactions that are scheduled to close in subsequent periods and on July 3, 2007 we agreed to acquire Hilton Hotels Corporation and committed approximately $1.5 billion of LP Capital to that purchase.

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Revenues

Revenues were $653.4 million for the six months ended June 30, 2007, an increase of $266.0 million or 68.7% versus the six months ended June 30, 2006. The increase was primarily due to an increase of $226.3 million in performance fees and allocations (general partner carried interest allocations), an increase of $60.3 million in investment income and a decrease of $20.6 million in fund management fees. The increases in performance fees and allocations and investment income were primarily due to an increase of $1.6 billion in net appreciation in certain underlying funds portfolio investments. For the six months ended June 30, 2007, our funds' investments in the technology, media and telecommunications, manufacturing and waste services sectors benefited from operating improvements (including cost savings initiatives) by the portfolio companies and increased share price of certain public investments resulting in an increase in the value of these investments. Comparatively, in the six months ended June 30, 2006, the net appreciation of the funds' investments was primarily in the healthcare sector. Management fees for the six months ended June 30, 2007 totaled $166.0 million, a decrease of $20.6 million versus the six months ended June 30, 2006. This net decrease was attributable primarily to management fee reduction amounts increasing by $11.3 million over the comparable prior period reduction amounts of $9.6 million and transaction fees decreasing by approximately $30.8 million from the comparable prior period transaction fees of $75.5 million. These decreases were partially offset by an $11.1 million increase in base management fees over the comparable prior period base management fees of $110.6 million due to greater fee paying assets under management and an increase in monitoring fees related to portfolio companies of $11.9 million over the comparable prior period monitoring fees of $9.1 million.

Expenses

Expenses were $74.0 million for the six months ended June 30, 2007, an increase of $22.4 million or 43.5% versus the six months ended June 30, 2006. The increase was primarily due to an increase in compensation and benefits of $14.7 million, reflecting the growth of the team and increased investment activity and resultant revenues in 2007. In addition, professional fees increased by $5.4 million primarily due to increased investment activity.

Assets Under Management

Assets under management were $31.8 billion at June 30, 2007, an increase of $4.0 billion or 14.5% versus June 30, 2006. The increase was due to $4.8 billion of additional capital raised for Blackstone Capital Partners V, partially offset by realizations in our other corporate private equity funds.

Capital Deployed

LP Capital Invested in private equity transactions was $1.7 billion for the six months ended June 30, 2007, a decrease of $1.6 billion or 49.3% versus the six months ended June 30, 2006. This reflects decreases in the size and volume of investment activity. However, at June 30, 2007, $4.4 billion of LP Capital had been committed to transactions that are scheduled to close in subsequent periods and on July 3, 2007 we agreed to acquire Hilton Hotels Corporation and committed approximately $1.5 billion of LP Capital to that purchase.

Real Estate

The following table presents our results of operations for our real estate segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
	(Dollars in Thousands)			
Segment Revenues				
Management Fees	$ 78,933	$ 53,845	$ 325,834	$ 111,291
Performance Fees and Allocations	157,425	30,920	633,783	135,495
Investment Income and Other	83,853	7,259	147,324	28,889
Total Revenues	320,211	92,024	1,106,941	275,675
Expenses				
Compensation and Benefits	22,077	15,741	40,405	31,257
Other Operating Expenses	8,183	7,769	14,612	14,220
Total Expenses	30,260	23,510	55,017	45,477
Economic Net Income	$ 289,951	$ 68,514	$ 1,051,924	$ 230,198

The following operating metrics are used in the management of this business segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
	(Dollars in Thousands)			
Assets Under Management (at Period End)	$23,060,599	$11,006,750	$23,060,599	$11,006,750
Capital Deployed:				
Limited Partner Capital Invested	$ 71,088	$ 612,709	$ 3,859,232	$ 1,252,146

During the periods presented, macroeconomic conditions generally supported continued economic growth. The strength of demand for real estate, particularly in the office and lodging sectors, continued to be heavily correlated with the strength of the U.S. economy, as indicated by gross domestic product and office employment growth.

The office market sector improved during the period and the hotel sector continued to show considerable year-over-year growth, two key sectors for Blackstone real estate fund investments. Overall new office supply remains below demand in most markets and the replacement costs of new construction continues to rise, allowing landlords to reduce concession packages to tenants. Furthermore, as vacancies and available sublease space declined, market rental rates showed continued growth. Within the lodging sector, hotel supply statistics continued to be favorable.

Conditions in the second quarter and six months of 2007 were favorable, as debt and equity investor demand for real estate assets remained strong and markets remained liquid. However, starting in the last week of June 2007, weakness in the sub-prime lending sector and tighter credit standards by lenders and rating agencies began to have an impact on the real estate capital markets. While these developments have negatively affected some pending real estate transactions, our real estate business has to date not been materially affected by these market conditions as we have been able to continue to finance transactions on reasonable terms and conditions. However, we cannot predict whether the current conditions in the real estate credit markets will worsen and begin to affect our business.

Three Months Ended June 30, 2007 Compared to Three Months Ended June 30, 2006

Revenues

Revenues were $320.2 million for the three months ended June 30, 2007, an increase of $228.2 million or 248.0% versus the three months ended June 30, 2006. The increase was primarily due to an increase of $126.5 million in performance fees and allocations (general partner carried interest allocations), an increase of $25.1 million in fund management fees and an increase of $76.6 million in investment income. The increases in performance fees

and allocations and investment income reflect operating improvements by the portfolio companies and improvements in exit multiples from our investments in the office sector. For the three months ended June 30, 2006, net appreciation was primarily due to increased share prices of certain public investments. The increase in fund management fees was primarily due to a net increase in fund related fees of $29.0 million over the comparable prior quarter fund related fees of $30.2 million, offset by a decrease in portfolio company related fees of $3.9 million from the comparable prior quarter portfolio company related fees of $23.7 million (resulting from the reduction in LP Capital Deployed described below). The fund related fees' net increase of $29.0 million was attributable to $34.7 million of management fees generated from our new fund, Blackstone Real Estate Partners VI ("BREP VI"), which commenced in February 2007, partially offset by reduced management fees from our existing funds after the termination of their investment periods.

Expenses

Expenses were $30.3 million for the three months ended June 30, 2007, an increase of $6.7 million or 28.7% versus the three months ended June 30, 2006. The increase was primarily due to an increase in compensation and benefits of $6.3 million, reflecting the growth of the team required to meet our increased investment activity including the launch of BREP VI in February 2007.

Capital Deployed

LP Capital Invested in real estate transactions was $71.1 million for the three months ended June 30, 2007, a decrease of $541.6 million, or 88.4%, versus the three months ended June 30, 2006. This decrease reflects a decrease in investments closed during the three months ended June 30, 2007 versus the three months ended June 30, 2006. However, at June 30, 2007, $378.6 million had been committed to transactions scheduled to close in subsequent periods and on July 3, 2007 we agreed to acquire Hilton Hotels Corporation and committed approximately $2.5 billion of LP Capital to that purchase.

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Revenues

Revenues were $1,106.9 million for the six months ended June 30, 2007, an increase of $831.3 million or 301.5% versus the six months ended June 30, 2006. The increase was primarily due to an increase of $498.3 million in performance fees and allocations (general partner carried interest allocations), an increase of $214.5 million in fund management fees and an increase of $118.4 million in investment income. The increases in investment income and performance fees and allocations were primarily due to our funds' investments in the office and limited service hotel portfolios, reflecting improvements in exit multiples and operating improvements by the portfolio companies. For the six months ended June 30, 2006, net appreciation was primarily due to operating improvements by the portfolio companies, improvements in exit multiples in the hotel sector and the share price of certain public investments. The increase in fund management fees was primarily due to a net increase in fund related fees of $38.2 million over the comparable prior period fund related fees of $58.5 million and an increase in portfolio company related fees of $176.4 million over the comparable prior period portfolio company related fees of $52.8 million resulting from the increase in LP Capital Deployed described below, primarily the acquisition of Equity Office Properties Trust in February 2007 which generated a fee of $203.7 million. The fund related fees' net increase of $38.2 million was attributable to $44.1 million of management fees generated from our new fund, BREP VI, which commenced in February 2007, partially offset by reduced management fees from our existing funds after the termination of their investment periods.

Expenses

Expenses were $55.0 million for the six months ended June 30, 2007, an increase of $9.5 million or 21.0% versus the six months ended June 30, 2006. The increase was primarily due to an increase in compensation and benefits of $9.1 million, reflecting the growth of the team required to meet our increased investment activity (including the launch of BREP VI in February 2007).

Assets Under Management

Assets under management were $23.1 billion at June 30, 2007, an increase of $12.1 billion or 109.5% versus June 30, 2006. The increase was primarily due to $8.0 billion of capital raised for Blackstone Real Estate Partners VI and net appreciation of our real estate funds' investments.

Capital Deployed

LP Capital Invested in real estate transactions was $3.9 billion for the six months ended June 30, 2007, an increase of $2.6 billion or 208.2% versus the six months ended June 30, 2006. This increase reflects the increased size and volume of investment activity in 2007, which included the acquisition of Equity Office Properties Trust, as well as additional investments in existing real estate fund properties. Additionally, at June 30, 2007, $378.6 million had been committed to transactions scheduled to close in subsequent periods and on July 3, 2007 we agreed to acquire Hilton Hotels Corporation and committed approximately $2.5 billion of LP Capital to that purchase.

Marketable Alternative Asset Management

The following table presents our results of operations for our marketable alternative asset management segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
	(Dollars in Thousands)			
Segment Revenues				
Management Fees	$ 75,602	$ 43,390	$ 138,571	$ 83,777
Performance Fees and Allocations	61,906	(7,737)	129,967	16,510
Investment Income and Other	31,138	(3,181)	56,397	21,292
Total Revenues	168,646	32,472	324,935	121,579
Expenses				
Compensation and Benefits	42,000	16,946	70,630	32,452
Other Operating Expenses	20,253	13,949	34,749	23,459
Total Expenses	62,253	30,895	105,379	55,911
Economic Net Income	$ 106,393	$ 1,577	$ 219,556	$ 65,668

The following operating metrics are used in the management of this business segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
	(Dollars in Thousands)			
Assets Under Management (at Period End)	$36,950,246	$21,773,845	$36,950,246	$21,773,845

The marketable alternative asset management business grew significantly during the second quarter and first half of 2007 as we have expanded the range of products we offer, expanded and diversified our investor base and delivered favorable investment performance.

During the periods presented the funds of hedge funds experienced strong performance across most sectors, with particular strength exhibited by the hedged equity, event and credit hedge fund investments. Our performance was positively affected by deal activity in both the activist and event-oriented hedge funds, while long positions were particularly value-additive to the performance. Our research capabilities continue to expand globally to reflect our increased focus on both developing hedge fund relationships and capturing lucrative opportunities worldwide. We continue to experience significant investor inflows, and expand our predominately institutional investor base globally.

Within the distressed securities market, current market conditions have been affected by record low "high-yield" default rates and "stressed" bonds trading at tight credit spreads over treasuries. Starting in the last week of June 2007 and continuing thereafter, credit spreads have widened across most fixed income products.

Global equity markets performed well in the quarter, with most major indices closing near historical highs. Although we benefited from the strong performance of the markets, our performance in our equity hedge funds is not directly tied to the direction of the stock markets as it is dependent on our ability to shift exposures into a broad range of geographies and industries that offer opportunities on both the long and the short side of the market.

The current market environment of closed-end mutual funds is based on a variety of factors, including overall investor demand for long-only exposure in the Asia ex-Japan markets, increasing competition from exchange traded funds and index products and the performance of our underlying portfolio holdings relative to other closed-end mutual funds. Volatility of the markets is an inherent risk of investing in Asia.

The mezzanine market was active due to robust middle-market mergers and acquisition volume, primarily driven by middle-market private equity activity. Recent terms for mezzanine securities have been very aggressive with financial leverage levels increasing and yields being compressed. However, our mezzanine funds continued to find opportunities deemed to be attractive from a credit and investment perspective.

The current conditions in the credit markets restrict the ability of firms such as ours to create new traditional senior debt vehicles, which will adversely affect our senior debt business as long as these conditions continue. On the other hand, current conditions in the credit markets may afford us opportunities to expand the breadth of our debt market product offerings and we are currently exploring some of those opportunities. Unsettled current conditions in the syndicated loan market may also afford increased opportunities for our mezzanine debt business to expand its role in middle market transactions.

Our business is subject to unforeseen changes in market conditions and subsequent to June 30, 2007, as noted elsewhere (see “Business Environment”), conditions in the credit markets have weakened. We cannot predict how long the current conditions will continue.

Three Months Ended June 30, 2007 Compared to Three Months Ended June 30, 2006

Revenues

Revenues were $168.7 million for the three months ended June 30, 2007, an increase in total of $136.1 million or 419.4% versus the three months ended June 30, 2006. The increase was due to an increase of $32.2 million in fund management fees, an increase of $34.3 million in investment income and an increase of $69.6 million in performance fees and allocations. The increase in fund management fees was primarily due to an increase of $15.2 billion in assets under management as a result of significant inflows from institutional investors in new and existing funds, as well as the launch of our equity hedge fund business in October 2006. The increase in investment income represents the firm’s gains on investments held in various business units within the segment. The increase in performance fees and allocations was attributable to improved performance primarily in our funds of hedge funds and proprietary hedge funds’ groups and larger asset bases in several business units within the segment.

Expenses

Expenses were $62.3 million for the three months ended June 30, 2007, an increase of $31.4 million or 101.5% versus the three months ended June 30, 2006. The increase was primarily due to an increase in compensation and benefits expense of $25.1 million or 147.9%, which was primarily due to an increase in personnel to support expansion into new business initiatives, including the opening of an office in Hong Kong to expand our funds of hedge funds presence in Asia and higher compensation for existing employees, including profit sharing based compensation, to support asset growth and the creation of new investment products. Additionally, professional fees, communications and information services, occupancy and interest expense increased $5.8 million primarily as a result of increased investment activity and increased head count.

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Revenues

Revenues were $324.9 million for the six months ended June 30, 2007, an increase in total of $203.4 million or 167.3% versus the six months ended June 30, 2006. The increase was primarily due to an increase of $54.8 million in fund management fees, an increase of $35.1 million in investment income and an increase of $113.5 million in performance fees and allocations. The increase in fund management fees was primarily due to an increase of $15.2 billion in assets under management as a result of significant inflows from institutional investors in new and existing funds, as well as the launch of our equity hedge fund business in October 2006. The increase in investment income represents our gains on investments held in various business units within the segment. The increase in performance fees and allocations was attributable to improved performance primarily in our funds of hedge funds and proprietary hedge funds' groups and larger asset bases in several business units within the segment.

Expenses

Expenses were $105.4 million for the six months ended June 30, 2007, an increase of $49.5 million, or 88.5%, versus the six months ended June 30, 2006. The increase was primarily due to an increase in compensation and benefits expense of $38.2 million or 117.7% which was primarily due to an increase in personnel to support expansion into new business initiatives, including the opening of an office in Hong Kong to expand our funds of hedge funds presence in Asia and higher compensation for existing employees to support asset growth and the creation of new investment products. Additionally, professional fees, communications and information services, occupancy and interest expense increased $10.3 million primarily as a result of increased investment activity.

Assets Under Management

Assets under management were $37.0 billion at June 30, 2007, a net increase of $15.2 billion or 69.7% versus June 30, 2006. The increase was due to significant inflows from a more globally diverse base of clients. The funds of hedge funds business contributed $8.6 billion, or 56.9%, to the overall increase, primarily from pension funds and financial institutions worldwide.

Financial Advisory

The following table presents our results of operations for our financial advisory segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
	(Dollars in Thousands)			
Segment Revenues				
Advisory Fees	$ 97,518	$ 83,005	$ 190,044	$ 121,418
Investment Income and Other	1,034	755	2,718	1,371
Total Revenues	98,552	83,760	192,762	122,789
Expenses				
Compensation and Benefits	20,636	9,689	35,607	18,399
Other Operating Expenses	10,344	6,392	16,488	9,369
Total Expenses	30,980	16,081	52,095	27,768
Economic Net Income	$ 67,572	$ 67,679	$ 140,667	$ 95,021

The environment for the financial advisory business remained favorable during the second quarter of 2007. Strong global equity markets coupled with managements and boards of directors increasing their focus on shareholder value creation contributed to an increase in mergers and acquisitions and strategic initiatives. During the periods presented, considerable capital flows to the alternative investment sector led to the commencement, and the subsequent growth, of our fund placement business. The market for restructuring and reorganization advisory services activity continued to experience weakness as a result of the low level of bankruptcies and high level of liquidity in credit markets.

Three Months Ended June 30, 2007 Compared to Three Months Ended June 30, 2006

Revenues

Revenues were $98.6 million for the three months ended June 30, 2007, an increase of $14.8 million or 17.7% versus the three months ended June 30, 2006. The increase was primarily due to an increase of $4.3 million in fees from our fund placement business, and an increase of $18.3 million in fees from our mergers and acquisitions advisory services business, partially offset by an $8.1 million decrease in fees generated by our restructuring and reorganization advisory services business.

Expenses

Expenses were $31.0 million for the three months ended June 30, 2007, an increase of $14.9 million or 92.7% versus the three months ended June 30, 2006. The increase was primarily due to an increase in compensation and benefits expense of $10.9 million, primarily due to personnel additions in our fund placement and mergers and acquisitions businesses. In addition, operating expenses increased $4.0 million, primarily due to an increase in support service fees for our London-based fund placement business of $2.5 million and professional fees of $1.0 million.

Six Months Ended June 30, 2007 Compared to Six Months Ended June 30, 2006

Revenues

Revenues were $192.8 million for the six months ended June 30, 2007, an increase of $70.0 million or 57.0% versus the six months ended June 30, 2006. The increase was due to an increase of $31.2 million in fees from our mergers and acquisitions advisory services business, and an increase of $45.9 million in fees from our fund placement business, partially offset by a $8.5 million decrease in fees generated by our restructuring and reorganization advisory services business.

Expenses

Expenses were $52.1 million for the six months ended June 30, 2007, an increase of $24.3 million or 87.6% versus the six months ended June 30, 2006. The increase was primarily due to an increase in compensation and benefits expense of $17.2 million, primarily due to personnel additions in our fund placement and mergers and acquisitions businesses. In addition, operating expenses increased $7.1 million, primarily due to an increase in support service fees for our London-based fund placement business of $4.0 million, professional fees of $1.1 million, business development expenses of $1.2 million and interest expense of $1.1 million.

Liquidity and Capital Resources

Historical Liquidity and Capital Resources

On a historical basis we have drawn on the capital resources of our existing owners together with the committed capital from our Limited Partners in order to fund the investment requirements of the Blackstone funds. In addition, we require capital resources to support the working capital needs of our businesses as well as to fund growth and investments in new business initiatives. We have multiple sources of liquidity to meet these capital needs, including accumulated earnings in the businesses as well as access to the committed credit facilities described in Note 5 to the condensed consolidated and combined financial statements.

Our historical condensed consolidated and combined statements of cash flows reflect the cash flows of the Blackstone operating businesses as well as those of our consolidated Blackstone funds. The assets of the consolidated Blackstone funds, on a gross basis, are much larger than the assets of our operating businesses and therefore have a substantial effect on the reported cash flows reflected in our statement of cash flows. As stated above in “Combined Results of Operations,” our assets under management, which are primarily representative of the net assets within the Blackstone funds, have grown significantly during the periods reflected in our condensed consolidated and combined financial statements. This growth is a result of these funds raising and investing capital, and generating gains from investments, during these periods. Their cash flows, which were historically reflected in our combined statement of cash flows, increased substantially as a result of this growth. More specifically, the primary cash flow activities of the consolidated Blackstone funds have historically been in (1) raising capital from their investors, which have historically

been reflected as non-controlling interests of consolidated entities in our condensed consolidated and combined financial statements, (2) using this capital to make investments, (3) financing certain investments with debt, (4) generating cash flow from operations through the realization of investments and (5) distributing cash flow to investors. The Blackstone funds are treated as investment companies for accounting purposes and therefore these amounts are included in cash flows from operations. As described above in "Consolidation and Deconsolidation of Blackstone Funds," concurrently with the Reorganization, the Contributing Businesses that act as the general partners of a majority of the consolidated funds took steps to grant certain rights to their relevant unaffiliated investors. The granting of such rights results in the deconsolidation of such investment funds from the Partnership's condensed consolidated and combined financial statements. For all Blackstone Funds where these rights were granted, with the exception of the funds of hedge funds, these rights became effective June 27, 2007. The effective date of these rights related to the applicable funds of hedge funds was July 1, 2007. Once these rights became effective, Blackstone's interests in these funds were deconsolidated and accounted for under the equity method of accounting, including for the cash flows of such Blackstone funds. As permitted by GAAP, the change from consolidation to equity method accounting has been retroactively presented as if these rights had been granted effective January 1, 2007.

We have managed our historical liquidity and capital requirements by focusing on our deconsolidated cash flows. Our primary cash flow activities on the basis of deconsolidating the Blackstone funds are (1) generating cash flow from operations, (2) funding general partner capital commitments to Blackstone funds (which cash flows are eliminated in consolidation), (3) generating income from investment activities, (4) funding capital expenditures, (5) funding new business initiatives, (6) borrowings and repayments under credit agreements and (7) distributing cash flow to owners. Cash distributed to unitholders may be provided through distributions received from Blackstone funds or through borrowings from existing credit facilities described in Note 5 to the condensed consolidated and combined financial statements.

We have managed the historical liquidity and capital requirements of Blackstone Group by focusing on our cash flows before the consolidation of the Blackstone funds and the effect of normal changes in assets and liabilities which we anticipate will be settled for cash within one year. Normal movements in our short-term assets and liabilities do not affect our distribution decisions given our current and historically available borrowing capability. We use adjusted cash flow from operations as a supplemental non-GAAP measure to assess liquidity and amounts available for distribution to our existing owners. See "Cash Distribution Policy". As noted above, in accordance with GAAP, certain of the Blackstone funds are consolidated into the condensed consolidated and combined financial statements of Blackstone Group, notwithstanding the fact that Blackstone Group has only a minority economic interest in these funds. Consequently, Blackstone Group's condensed consolidated and combined financial statements reflect the cash flow of the consolidated Blackstone funds on a gross basis rather than the cash flow attributable to Blackstone. Adjusted cash flow from operations is therefore intended to reflect the cash flow attributable to Blackstone and is equal to cash flow from operations presented in accordance with GAAP, adjusted for cash flows relating to changes in operating assets and liabilities, Blackstone funds-related investment activity, net realized gains on investments, non-controlling interests in income of consolidated entities and other non-cash adjustments. We believe that adjusted cash flow from operations provides investors with useful information on the cash flows of Blackstone Group relating to our required capital investments and our ability to make annual cash distributions. However, adjusted cash flow from operations should not be considered in isolation or as alternative to cash flow from operations presented in accordance with GAAP.

Following is a reconciliation of Net Cash Provided By (Used In) Operating Activities presented on a GAAP basis to Adjusted Cash Flow from Operations:

	Six Months Ended June 30,	
	2007	2006
	(Dollars in Thousands)	
Cash Flow Provided By (Used In) Operating Activities	$ 671,220	$ (94,587)
Changes in operating assets and liabilities	(564,468)	(6,025)
Blackstone funds related investment activities	412,379	434,854
Net realized gains on investments	1,178,043	3,368,904
Non-controlling interests in income of consolidated entities	(38,830)	(2,649,017)
Other non-cash adjustments	(4,775)	25,084
Adjusted Cash Flow from Operations	$1,653,569	$ 1,079,213

Operating Activities

Our net cash flow provided by (used in) operating activities was $671.2 million and $(94.6) million during the six months ended June 30, 2007 and June 30, 2006. These amounts primarily include (1) net purchases of investments by consolidated Blackstone funds, after proceeds from sales of investments, of $412.4 million and $434.9 million during those periods, respectively, (2) net realized gains on investments of the Blackstone funds of, $1.2 billion, and $3.4 billion during those periods, respectively, and (3) non-controlling interests in income of consolidated entities of $(38.8) million and $(2.6) billion during those periods, respectively. These amounts also represent the significant variances between net income and cash flows from operations and are reflected as operating activities pursuant to investment company accounting. The increasing working capital needs reflect the growth of our business while the fund-related activities requirements vary based upon the specific investment activities being conducted at a point in time. These movements do not adversely impact our liquidity or earnings trends because we currently have, and anticipate having, access to available borrowing capability.

Investing Activities

Our net cash flow (used in) investing activities was $(37.8) million and $(3.5) million for the six months ended June 30, 2007 and June 30, 2006. Our investing activities included the purchases of furniture, equipment and leasehold improvements.

Financing Activities

Our net cash provided by financing activities was $670.5 million and $75.7 million during the six months ended June 30, 2007 and June 30, 2006. Our financing activities primarily include (1) contributions made by, net of distributions made to, the investors in our consolidated Blackstone funds, historically reflected as non-controlling interests in consolidated entities, of $(225.5) million and $632.9 million during those periods, respectively, (2) meeting the financing needs of Blackstone through the net (repayment) draws on our credit facilities of $(397.9) million and $470.4 million during those periods, respectively, (3) making distributions to, net of contributions by, our predecessor owners of $(1.6) billion and $(1.0) billion during those periods, respectively, (4) receiving $7.5 billion in cash proceeds from the issuance of units in our IPO during the six months ended June 30, 2007 (see "—Significant Transactions—Initial Public Offering"), and (5) the purchase of interests from our predecessor owners of $(4.6) billion for the six months ended June 30, 2007 (see "—Significant Transactions—Reorganization"; "—Significant Transactions—Initial Public Offering").

Our Future Sources of Cash and Liquidity Needs

We expect that our primary liquidity needs will be cash to (1) provide capital to facilitate the growth of our existing asset management and financial advisory businesses, including through funding a portion of our general partner commitments to and optional side-by-side investments alongside our carry funds, (2) provide capital to facilitate our expansion into new businesses that are complementary to our existing asset management and financial advisory businesses and that can benefit from being affiliated with us, (3) pay operating expenses, including cash compensation to our employees, (4) fund capital expenditures, (5) repay borrowings and related interest costs, (6) pay income taxes and (7) make distributions to our unitholders and the holders of Blackstone Holdings partnership units in accordance with our distribution policy. In addition, our own capital commitments to our funds and funds we invest in as of June 30, 2007, consisted of the following:

Fund	Original Commitment	Remaining Commitment
	(Dollars in Thousands)	
Corporate Private Equity and Related Funds		
BCP V	$ 629,356	$ 503,297
BCP IV	150,000	41,072
BCOM	50,000	6,604
India Infrastructure	62,500	62,500
Real Estate Funds		
BREP VI	648,489	617,858
BREP V	52,545	11,918
BREP International II	26,950	17,845
BREP IV	50,000	5,147
BREP International	20,000	3,901
Marketable Alternative Asset Management		
BMEZZ II	17,692	12,790
BMEZZ	41,000	2,609
Strategic Alliance	50,000	47,294
Total	$1,798,532	$1,332,835

Taking into account generally expected market conditions, we believe that the sources of liquidity described below will be sufficient to fund our working capital requirements.

We also receive cash from time to time from (1) cash generated from operations, (2) carried interest and incentive income realizations and (3) realizations on the investments that we make. We expect to use this cash to assist us in making cash distributions to our common unitholders on a quarterly basis in accordance with our distribution policy. Our ability to make cash distributions to our common unitholders will depend on a number of factors, including among others general economic and business conditions, our strategic plans and prospects, our business and investment opportunities, our financial condition and operating results, working capital requirements and anticipated cash needs, contractual restrictions and obligations, legal, tax and regulatory restrictions, restrictions and other implications on the payment of distributions by us to our common unitholders or by our subsidiaries to us and such other factors as our general partner may deem relevant. Cash distributed to unitholders may be provided through distributions from the entities that comprise our business or through borrowings from our existing or future credit facilities.

In the future, we may also issue additional common units and other securities to investors and our employees with the objective of increasing our available capital which would be used for purposes similar to those noted above.

From time to time in the future, we may also repurchase our common units in open market transactions, privately negotiated transactions or otherwise, at times and in quantities that we will determine in our sole discretion.

We intend to use leverage opportunistically and over time to create the most efficient capital structure for Blackstone and our public common unitholders. We do not anticipate approaching significant leverage levels over the next year or two since the net proceeds from the IPO and the sale of non-voting common units to the Beijing Wonderful Investments are expected to be our principal source of financing for our business during that period. However, our debt-to-equity ratio may increase substantially in the future. This strategy will expose us to the typical risks associated with the use of substantial leverage, including affecting the credit ratings that may be assigned to our debt by rating agencies. For a description of our credit facilities, see Note 5 in the condensed consolidated and combined financial statements.

Our corporate private equity funds, real estate opportunity funds and funds of hedge funds have not historically utilized substantial leverage at the fund level other than for short-term borrowings between the date of an investment and the receipt of capital from the investing fund’s investors. Our corporate private equity funds and real estate opportunity funds make direct or indirect investments in companies that utilize leverage in their capital structure, including leverage incurred by the portfolio company resulting from the structuring of the fund’s

investment in the portfolio company. The degree of leverage employed varies among portfolio companies based on market conditions and the portfolio company's financial situation. Our corporate private equity funds and real estate opportunity funds do not monitor leverage employed by their portfolio companies in the aggregate. However, for companies under our funds' control or over which our funds have significant influence, it is our policy to endeavor to cause the portfolio company to maintain appropriate controls over its liquidity and interest rate exposures.

Our mezzanine and hedge funds use leverage within the funds in order to obtain additional market exposure. The forms of leverage primarily employed are purchasing securities on margin or through other collateralized financing and the use of derivative instruments. Generally, gross leverage will be in the range of 150% to 250% of the fund's net asset value. The fair value of derivatives generally will encompass 0% to 15% of the fund's net asset value. Our mezzanine funds employ leverage in order to increase the funds' returns on invested capital. The funds have typically employed leverage of between 0% and 50% of an investment's cost, depending on the nature of the asset acquired, with an overall target of borrowings equating to approximately 33% of the funds' invested assets. Our distressed securities hedge fund does not typically borrow money other than for short-term cash needs. It typically holds both long securities and short securities. Gross investment leverage generally ranges from 90% to 130% based on net asset value, and net exposure is generally 60% to 100% based on net asset value. The fund generally holds 10% to 15% of net asset value in cash and typically is net long. The fund generally utilizes credit derivatives to buy credit protection. Our equity hedge fund generally employs gross leverage in the range of 150% to 250% of the fund's net asset value.

Critical Accounting Policies

We prepare our condensed consolidated and combined financial statements in accordance with accounting principles generally accepted in the United States. In applying many of these accounting principles, we need to make assumptions, estimates and/or judgments that affect the reported amounts of assets, liabilities, revenues and expenses in our consolidated financial statements. We base our estimates and judgments on historical experience and other assumptions that we believe are reasonable under the circumstances. These assumptions, estimates and/or judgments, however, are often subjective. Our assumptions and our actual results may be affected negatively based on changing circumstances or changes in our analyses. If actual amounts are ultimately different from our estimates, the revisions are included in our results of operations for the period in which the actual amounts become known. We believe the following critical accounting policies could potentially produce materially different results if we were to change underlying assumptions, estimates and/or judgments. See the notes to our condensed consolidated and combined financial statements for a summary of our significant accounting policies.

Principles of Consolidation

Our policy is to combine, or consolidate, as appropriate, those entities in which we through our existing owners have control over significant operating, financial or investing decisions of the entity.

For Blackstone funds that are determined to be VIE's, we consolidate those entities where we absorb a majority of the expected losses or a majority of the expected residual returns, or both, of such entity pursuant to the requirements of FASB Interpretation No. 46, *Consolidation of Variable Interest Entities* ("FIN 46"), as revised. The evaluation of whether a fund is subject to the requirements of FIN 46 as a VIE and the determination of whether we should consolidate such VIE requires management's judgment. In addition, we consolidate those entities we control through a majority voting interest or otherwise, including those Blackstone funds in which the general partners are presumed to have control over them pursuant to Emerging Issues Task Force ("EITF") Issue No. 04-5, *Determining Whether a General Partner, or the General Partners as a Group, Controls a Limited Partnership or Similar Entity When the Limited Partners Have Certain Rights* ("EITF 04-5"). The provisions under both FIN 46 and EITF 04-5 have been applied retrospectively to prior periods. All significant intercompany transactions and balances have been eliminated.

For operating entities over which we may exercise significant influence but which do not meet the requirements for consolidation, we use the equity method of accounting whereby we record our share of the underlying income or losses of these entities.

In those cases where our investment is less than 20% (3% in the case of partnership interests) and significant influence does not exist, such investments are carried at fair value.

Revenue Recognition

Revenues consist of primarily management and advisory fees, performance fees and allocations and investment income and other revenues. Our revenue recognition policies are as follows:

(1) *Fund Management Fees* . Fund management fees are comprised of fees charged directly to funds, fund investors and fund portfolio companies (including management, transaction and monitoring fees). Such fees are based upon the contractual terms of investment advisory and related agreements and are recognized as earned over the specified contract period. Our investment advisory agreements generally require that the investment advisor share a portion of certain fees and expenses with the limited partners of the fund. These shared items ("management fee reduction amounts") reduce the management fees received from the limited partners.

(2) *Advisory Fees.* Financial advisory fees consist of advisory retainer and transaction based fee arrangements related to mergers, acquisitions, restructurings, divestitures and fund placement services for alternative investment funds. Advisory retainer fees are recognized when services are rendered. Transaction fees are recognized when (i) there is evidence of an arrangement with a client, (ii) agreed upon services have been provided, (iii) fees are fixed or determinable and (iv) collection is reasonably assured. Fund placement services revenue is recognized as earned upon the acceptance by a fund of capital or capital commitments.

Performance Fees and Allocations. Performance fees and allocations represent the preferential allocations of profits ("carried interest") which are a component of our general partnership interests in the corporate private equity, real estate and mezzanine funds. We are entitled to carried interest from an investment fund in the event investors in the fund achieve cumulative investment returns in excess of a specified rate. We record as revenue the amount that would be due to us pursuant to the fund agreements at each period end as if the fund agreements were terminated at that date. In certain performance fee arrangements related to hedge funds in our marketable alternative asset management segment, we are entitled to receive performance fees and allocations when the return on assets under management exceeds certain benchmark returns or other performance targets. In such arrangements, performance fees and allocations are accrued monthly or quarterly based on measuring account / fund performance to date versus the performance benchmark stated in the investment management agreement.

Investment Income. Blackstone and its consolidated funds generate realized and unrealized gains from underlying investments in corporate private equity, real estate and marketable alternative asset management funds. Net gains (losses) from our investment activities and resultant Investment Income reflect a combination of internal and external factors. The external factors affecting the net gains associated with our investing activities vary by asset class but are broadly driven by the market considerations discussed above. The key external measures that we monitor for purposes of deriving our investment income include: price/earnings ratios and earnings before interest, taxes, depreciation and amortization ("EBITDA") multiples for benchmark public companies and comparable transactions and capitalization rates ("cap rates") for real estate property investments. In addition, third-party hedge fund managers provide information regarding the valuation of hedge fund investments. These measures generally represent the relative value at which comparable entities have either been sold or at which they trade in the public marketplace. Other than the information from our hedge fund managers, we refer to these measures generally as exit multiples. Internal factors that are managed and monitored include a variety of cash flow and operating performance measures, most commonly EBITDA and net operating income.

Investments, at Fair Value

The Blackstone funds are, for GAAP purposes, investment companies under the AICPA Audit and Accounting Guide: *Investment Companies* . Such funds reflect their investments, including securities sold, not yet purchased, on the combined statements of financial condition at their estimated fair value, with unrealized gains and losses resulting from changes in fair value reflected as a component of other income in the combined statements of income. Fair value is the amount that would be received to sell the investments in an orderly transaction between market participants at the measurement date (i.e., the exit price). Additionally, these funds do not consolidate their majority-owned and controlled investments. We have retained the specialized accounting of the Blackstone funds pursuant to EITF Issue No. 85-12, *Retention of Specialized Accounting for Investments in Consolidation* .

Effective January 1, 2007 we adopted Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* ("SFAS 157"), which among other things, requires enhanced disclosures about financial instruments carried at fair value. See Note 4 to the condensed consolidated and combined financial statements for the additional information about the level of market observability associated with investments carried at fair value.

The fair value of our investments, including securities sold, not yet purchased, are based on observable market prices when available. Such prices are based on the last sales price on the date of determination, or, if no sales occurred on such day, at the "bid" price at the close of business on such day and if sold short at the "asked" price at the close of business on such day. Futures and options contracts are valued based on closing market prices. Forward and swap contracts are valued based on market rates or prices obtained from recognized financial data service providers.

Direct investments in hedge funds ("Investee Funds") are stated at fair value, based on the information provided by the Investee Funds' management, which reflects our share of the fair value of the net assets of the investment fund.

We have valued our investments, in the absence of observable market prices, using the valuation methodologies described below applied on a consistent basis. For some investments little market activity may exist; management's determination of fair value is then based on the best information available in the circumstances, and may incorporate management's own assumptions and involves a significant degree of management's judgment.

Investments for which market prices are not observable are generally either private investments in the equity of operating companies or real estate properties or investments in funds managed by others. Fair values of private investments are determined by reference to public market or private transactions or valuations for comparable companies or assets in the relevant asset class when such amounts are available. Generally these valuations are derived by multiplying a key performance metric of the investee company or asset (e.g., EBITDA) by the relevant valuation multiple observed for comparable companies or transactions, adjusted by management for differences between the investment and the comparable referenced. Private investments may also be valued at cost for a period of time after an acquisition as the best indicator of fair value. If the fair value of private investments held cannot be valued by reference to observable valuation measures for comparable companies, then the primary analytical method used to estimate the fair value of such private investments is the discounted cash flow method. A sensitivity analysis is applied to the estimated future cash flows using various factors depending on the investment, including assumed growth rates (in cash flows), capitalization rates (for determining terminal values) and appropriate discount rates to determine a range of reasonable values. The valuation based on the inputs determined to be the most probable is used as the fair value of the investment.

The determination of fair value using these methodologies takes into consideration a range of factors, including but not limited to the price at which the investment was acquired, the nature of the investment, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance and financing transactions subsequent to the acquisition of the investment. These valuation methodologies involve a significant degree of management judgment.

After our adoption of SFAS 157, investments measured and reported at fair value are classified and disclosed in one of the following categories:

- Level I—Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments included in Level I include listed equities and listed derivatives. As required by SFAS 157, we do not adjust the quoted price for these investments, even in situations where we hold a large position and a sale could reasonably affect the quoted price.
- Level II—Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category include corporate bonds and loans, less liquid and restricted equity securities and certain over-the-counter derivatives.
- Level III—Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. Investments that are included in this category generally

include general and limited partnership interests in corporate private equity and real estate funds, funds of hedge funds, distressed debt and non-investment grade residual interests in securitizations and collateralized debt obligations.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and it considers factors specific to the investment.

Recent Accounting Pronouncements

In June 2006, the FASB issued Interpretation ("FIN") No. 48, *Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109* ("FIN 48"). FIN 48 requires companies to recognize the tax benefits of uncertain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. The tax benefit recognized is the largest amount of benefit that is greater than 50 percent likelihood of being realized upon ultimate settlement. The Partnership adopted FIN 48 as of January 1, 2007. The adoption of FIN 48 did not have a material impact on the Partnership's condensed consolidated and combined financial statements.

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements* ("SFAS No. 157"). SFAS No. 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. The Partnership adopted SFAS No. 157 as of January 1, 2007. The adoption of SFAS No. 157 did not have a material impact on the Partnership's condensed consolidated and combined financial statements.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* ("SFAS No. 159"). SFAS No. 159 permits entities to choose to measure many financial instruments and certain other items at fair value, with changes in fair value recognized in earnings. SFAS No. 159 is effective as of the beginning of the first fiscal year that begins after November 15, 2007. The Partnership is currently evaluating the potential effect on the financial statements of adopting SFAS No. 159.

In May 2007, the FASB issued FASB Staff Position No. FIN 46(R)-7, *Application of FASB Interpretation No. 46(R) to Investment Companies* ("FSP FIN 46(R)-7") which provides clarification on the applicability of FIN 46, as revised to the accounting for investments by entities that apply the accounting guidance in the AICPA Audit and Accounting Guide, *Investment Companies* . FSP FIN 46(R)-7 amends FIN 46, as revised to make permanent the temporary deferral of the application of FIN 46, as revised to entities within the scope of the guide under AICPA Statement of Position ("SOP") No. 07-1, *Clarification of the Scope of the Audit and Accounting Guide* Investment Companies *and Accounting by Parent Companies and Equity Method Investors for Investments in Investment Companies* ("SOP 07-1"). FSP FIN 46(R)-7 is effective upon adoption of SOP 07-1. The adoption of FSP FIN 46(R)-7 is not expected to have a material impact on the Partnership.

SOP 07-1, issued in June 2007, addresses whether the accounting principles of the AICPA Audit and Accounting Guide *Investment Companies* may be applied to an entity by clarifying the definition of an investment company and whether those accounting principles may be retained by a parent company in consolidation or by an investor in the application of the equity method of accounting. SOP 07-1 is effective for fiscal years beginning on or after December 15, 2007 with earlier adoption encouraged. The adoption of SOP 07-1 is not expected to have a material impact on the Partnership.

In June 2007, the EITF reached consensus on Issue No. 06-11, *Accounting for Income Tax Benefits of Dividends on Share-Based Payment Awards* ("EITF 06-11"). EITF 06-11 requires that the tax benefit related to dividend equivalents paid on restricted stock units, which are expected to vest, be recorded as an increase to additional paid-in capital. EITF 06-11 is to be applied prospectively for tax benefits on dividends declared in fiscal years beginning after December 15, 2007, and the Partnership expects to adopt the provisions of EITF 06-11 beginning in the first quarter of 2008. The Partnership is currently evaluating the potential effect on the financial statements of adopting EITF 06-11.

Off-Balance Sheet Arrangements

In the normal course of business, we engage in off-balance sheet arrangements, including establishing certain special purpose entities ("SPEs"), owning securities or interests in SPEs and providing investment and collateral management services to SPEs. There are two types of SPEs—qualifying special purposes entities ("QSPEs"), which are entities whose permitted activities are limited to passively holding financial interests in distributing cash flows generated by the assets, and VIEs. Certain combined entities of the Blackstone funds transact regularly with VIEs which do not meet the QSPE criteria due to their permitted activities not being sufficiently limited or because the assets are not deemed qualifying financial instruments. Under FIN 46, we consolidate those VIEs where we absorb either a majority of the expected losses or residual returns (as defined) and are therefore considered the primary beneficiary. Our primary involvement with VIEs consists of collateralized debt obligations. For additional information about our involvement with VIEs, see Note 4, "Investments—Investment in Variable Interest Entities" in the Notes to the condensed consolidated and combined financial statements.

In addition to VIEs, in the ordinary course of business certain combined entities of the Blackstone funds issue various guarantees to counterparties in connection with investments, debt, leasing and other transactions. See Note 10, "Commitments and Contingencies" in Notes to the condensed consolidated and combined financial statements for a discussion of guarantees.

Contractual Obligations, Commitments and Contingencies

The following table sets forth information relating to our contractual obligations as of June 30, 2007 on a consolidated basis and on a basis deconsolidating the Blackstone funds:

Contractual Obligations	July 1, 2007 to December 31, 2007	2008–2009	2010–2011	Thereafter	Total
			(Dollars in Thousands)		
Operating Lease Obligations (1)	$ 10,559	$ 42,321	$ 49,490	$251,167	$ 353,537
Purchase Obligations	1,700	2,713	392	—	4,805
Blackstone Operating Entities Loan and Credit Facilities Payable	21,398	54,128	32,399	—	107,925
Interest on Blackstone Operating Entities Loan and Credit Facilities Payable (2)	4,695	6,811	1,123	—	12,629
Blackstone Funds Debt Obligations Payable (3)	69,005	—	—	—	69,005
Interest on Blackstone Funds Debt Obligations Payable (4)	2,360	—	—	—	2,360
Blackstone Operating Entities Capital Commitments to Blackstone and Other Funds (5)	1,332,835	—	—	—	1,332,835
Consolidated Contractual Obligations	1,442,552	105,973	83,404	251,167	1,883,096
Blackstone Funds Debt Obligations Payable (3)	(69,005)	—	—	—	(69,005)
Interest on Blackstone Funds Debt Obligations Payable (4)	(2,360)	—	—	—	(2,360)
Blackstone Operating Entities Contractual Obligations	$ 1,371,187	$105,973	$ 83,404	$251,167	$1,811,731

(1) We lease our primary office space and certain office equipment under agreements that expire through 2024. In connection with certain lease agreements, we are responsible for escalation payments. The contractual obligation table above includes only guaranteed minimum lease payments for such leases and does not project potential escalation or other lease-related payments. These leases are classified as operating leases for financial statement purposes and as such are not recorded as liabilities on the condensed consolidated and combined statement of financial condition as of June 30, 2007.

(2) Represents interest to be paid over the maturity of the related debt obligation which has been calculated assuming no prepayments are made and debt is held until its final maturity date. The future interest payments are calculated using variable rates in effect as of June 30, 2007, at spreads to market rates pursuant to the financing agreements, and range from 6.50% to 9.25%.
(3) These obligations are those of the Blackstone funds.
(4) Represents interest to be paid over the maturity of the related Blackstone funds' debt obligations which has been calculated assuming no prepayments will be made and debt will be held until its final maturity date. The future interest payments are calculated using variable rates in effect as of June 30, 2007, at spreads to market rates pursuant to the financing agreements, and range from 4.67% to 6.25%.
(5) These obligations represent commitments by us to provide general partner capital funding to the Blackstone funds and limited partner capital funding to other funds. These amounts are generally due on demand and are therefore presented in the less than one year category; however, the capital commitments are expected to be called substantially over the next three years. We expect to continue to make these general partner capital commitments as we raise additional amounts for our investment funds over time.

Guarantees

We had approximately $12 million of letters of credit outstanding to provide collateral support related to a credit facility at June 30, 2007.

Indemnifications

In many of its service contracts, Blackstone agrees to indemnify the third party service provider under certain circumstances. The terms of the indemnities vary from contract to contract and the amount of indemnification liability, if any, cannot be determined and has not been included in the table above or recorded in our condensed consolidated and combined financial statements as of June 30, 2007.

Clawback Obligations

At June 30, 2007, due to the funds' performance results, none of the general partners of our corporate private equity, real estate and mezzanine funds had a clawback obligation to any limited partners of the funds. Since the inception of the funds, the general partners have not been required to make a clawback payment.

ITEM 3. QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK

Our predominant exposure to market risk is related to our role as general partner or investment adviser to the Blackstone funds and the sensitivities to movements in the fair value of their investments, including the effect on management fees, performance fees and allocations and investment income. There is no material market risk exposure to our net gains from fund investment activities after consideration of the allocation to non-controlling interest holders.

Although the Blackstone funds share many common themes, each of our alternative asset management operations runs its own investment and risk management processes, subject to our overall risk tolerance and philosophy:

- The investment process of our corporate private equity, real estate and mezzanine funds involves a detailed analysis of potential acquisitions, and asset management teams are assigned to oversee the operations, strategic development, financing and capital deployment decisions of each portfolio investment. These key investment decisions are subject to approval by the applicable investment committee, which is comprised of members of Blackstone senior management.
- In our capacity as advisor to certain of our marketable alternative asset management funds, we continuously monitor a variety of markets for attractive trading opportunities, applying a number of traditional and customized risk management metrics to analyze risk related to specific assets or portfolios. In addition, we perform extensive credit and cash-flow analysis of borrowers, credit-based assets and underlying hedge fund managers, and have extensive asset management teams that monitor covenant compliance by, and relevant financial data of, borrowers and other obligors, asset pool performance statistics, tracking of cash payments relating to investments, and ongoing analysis of the credit status of investments.

We are sensitive to changes in market risk factors that affect our financial results.

Effect on Fund Management Fees

Our management fees are based on (1) capital commitments to a Blackstone fund, (2) capital invested in a Blackstone fund or (3) the net asset value, or NAV, of a Blackstone fund, as described in our condensed consolidated and combined financial statements. Management fees will only be directly affected by changes in market risk factors to the extent they are based on NAV. These management fees will be increased (or reduced) in direct proportion to the effect of changes in the market value of our investments in the related funds. The proportion of our management fees that are based on NAV is dependent on the number and types of Blackstone funds in existence and the current stage of each fund's life cycle. As of June 30, 2007, taking into consideration the effect of the deconsolidation of certain funds of hedge funds that will be effective July 1, 2007, approximately 29% of our management fees were based on the NAV of the applicable funds.

Market Risk

The Blackstone funds hold investments and securities sold not yet purchased, both of which are reported at fair value. Based on the fair value as of June 30, 2007, taking into consideration the effect of the deconsolidation of certain funds of hedge funds that will be effective July 1, 2007 and the allocation of certain items to non-controlling interest holders, we estimate that a 10% decline in fair value of the investments and securities would have the following effects (1) management fees would decrease by $27.2 million on an annual basis, (2) performance fees and allocations would decrease by $643.5 million and (3) investment income would decrease by $130.9 million.

Exchange Rate Risk

The Blackstone funds hold investments that are denominated in non-U.S. dollar currencies that may be affected by movements in the rate of exchange between the U.S. dollar and non-U.S. dollar currencies. Additionally, a portion of our management fees are denominated in non-US dollar currencies. We estimate that as of June 30, 2007, taking into consideration the effect of the deconsolidation of certain funds of hedge funds that will be effective July 1, 2007 and the allocation of certain items to non-controlling interest holders, a 10% decline in the rate of exchange against the U.S. dollar would have the following effects (1) management fees would decrease by $3.2 million on an annual basis, (2) performance fees and allocations would decrease by $105.2 million and (3) investment income would decrease by $16.5 million.

Interest Rate Risk

Blackstone has debt obligations payable that accrue interest at variable rates. Interest rate changes may therefore affect the amount of interest payments, future earnings and cash flows. Based on our debt obligations payable as of June 30, 2007, taking into consideration the effect of the deconsolidation of certain funds of hedge funds that will be effective July 1, 2007 and the allocation of certain items to non-controlling interest holders, we estimate that interest expense relating to variable rate debt obligations payable would increase by $1.2 million on an annual basis, in the event interest rates were to increase by one percentage point.

Credit Risk

Certain Blackstone funds and the Investee Funds are subject to certain inherent risks through their investments.

Our entities generally invest substantially all of their excess cash in an open-end money market fund and a money market demand account, which are included in cash and cash equivalents. The money market fund invests primarily in government securities and other short-term, highly liquid instruments with a low risk of loss. We continually monitor the fund’s performance in order to manage any risk associated with these investments.

Certain of our entities hold derivative instruments that contain an element of risk in the event that the counterparties may be unable to meet the terms of such agreements. We minimize our risk exposure by limiting the counterparties with which we enter into contracts to banks and investment banks who meet established credit and capital guidelines. We do not expect any counterparty to default on its obligations and therefore do not expect to incur any loss due to counterparty default.

ITEM 4. CONTROLS AND PROCEDURES

Our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Exchange Act as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this quarterly report, our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) are effective, in all material respects, to ensure that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

No change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) occurred during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Not applicable.

ITEM 1A. RISK FACTORS

For a discussion of our potential risks and uncertainties, see the information under the heading “Risk Factors” in our prospectus dated June 21, 2007, filed with the SEC in accordance with Rule 424(b) of the Securities Act on June 25, 2007, which is accessible on the Securities and Exchange Commission’s website at sec.gov. There have been no material changes to the risk factors disclosed in the prospectus.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The effective date of The Blackstone Group L.P.’s registration statement filed on Form S-1 under the Securities Act of 1933 (File No. 333-141504) (“Form S-1”) relating to The Blackstone Group L.P.’s initial public offering of common units representing limited partner interests was June 21, 2007. A total of 153,333,334 common units were sold, including common units sold pursuant to the underwriters’ option to purchase additional common units. Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc. acted as global coordinators and representatives of the underwriters and, together with Merrill Lynch, Pierce, Fenner & Smith Incorporated, Credit Suisse Securities (USA) LLC, Lehman Brothers Inc. and Deutsche Bank Securities Inc., acted as joint book-running managers of the offering.

The offering was completed on June 27, 2007. The aggregate offering price for the common units sold pursuant to the initial public offering was $4.75 billion. The underwriting discounts were $202.1 million, none of which was paid to affiliates of The Blackstone Group L.P. The Blackstone Group L.P. incurred approximately $50.0 million of other expenses in connection with the offering. The net proceeds to The Blackstone Group L.P. from the initial public offering totaled approximately $4.50 billion.

Concurrently with the initial public offering of common units, The Blackstone Group L.P. sold 101,334,234 non-voting common units to an investment vehicle established by the People’s Republic of China with respect to its foreign exchange reserve that we refer to as the “State Investment Company” for $3 billion at a purchase price per common unit of $29.605, or 95.5% of the initial public offering price per common unit of $31.00. The sale of the non-voting common units was made to the State Investment Company without a registration statement under the Securities Act because the sale was effected outside of the United States and was offered and sold in a transaction exempt from registration under Section 4(2) of the Securities Act.

The Blackstone Group L.P. used approximately $4.57 billion of the proceeds from the initial public offering and the sale of non-voting common units to the State Investment Company to purchase interests in its business from its existing owners, including certain members of Blackstone’s senior management. Accordingly, The Blackstone Group L.P. did not retain any of these proceeds.

The Blackstone Group L.P. used all of the remaining proceeds from the initial public offering and the sale of non-voting common units to the State Investment Company, or approximately $2.93 billion (after deducting offering expenses of

approximately $50.0 million), to purchase newly-issued Blackstone Holdings partnership units substantially currently with the consummation of the initial public offering. Blackstone Holdings used approximately $1.21 billion of these proceeds to repay short-term borrowings and the remaining $1.72 million has been or will be used:

- to provide capital to facilitate the growth of The Blackstone Group L.P.'s existing asset management and financial advisory businesses, including through funding a portion of Blackstone Group Management L.L.C.'s capital commitments to The Blackstone Group L.P.'s carry funds;
- to provide capital to facilitate The Blackstone Group L.P.'s expansion into new businesses that are complementary to its existing asset management and financial advisory businesses and that can benefit from being affiliated with it, including possibly through selected strategic acquisitions; and
- for other general corporate purposes.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On June 15, 2007, the partners of The Blackstone Group L.P. by unanimous written consent (1) approved and adopted The Blackstone Group L.P. 2007 Equity Incentive Plan and (2) approved, for the express purpose of exempting such transactions under Rule 16b-3 promulgated under the Exchange Act, certain specified acquisitions and dispositions by directors and officers of the general partner of The Blackstone Group L.P. of common units representing limited partner interests in The Blackstone Group L.P. and of partnership units in the Blackstone Holdings partnerships.

ITEM 5. OTHER INFORMATION

Exhibit 10.3 filed with this report reflects that Blackstone Holdings III L.P. has been organized as a Québec société en commandite.

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ITEM 6. EXHIBITS

Exhibit Index:

3.1	Certificate of Limited Partnership of The Blackstone Group L.P. (incorporated by reference to Exhibit 3.1 to the Registrant's Registration Statement on Form S-1 (File No. 333-141504) ("Form S-1") filed with the SEC on March 22, 2007).
3.2	Amended and Restated Agreement of Limited Partnership of The Blackstone Group L.P. (incorporated by reference to Exhibit 3.1 on Form 8-K filed with the SEC on June 27, 2007).
10.1	Amended and Restated Limited Partnership Agreement of Blackstone Holdings I L.P., dated as of June 18, 2007, by and among Blackstone Holdings I/II GP Inc. and the limited partners of Blackstone Holdings I L.P. party thereto.
10.2	Amended and Restated Limited Partnership Agreement of Blackstone Holdings II L.P., dated as of June 18, 2007, by and among Blackstone Holdings I/II GP Inc. and the limited partners of Blackstone Holdings II L.P. party thereto.
10.3	Amended and Restated Limited Partnership Agreement of Blackstone Holdings III L.P., dated as of August 10, 2007, by and among Blackstone Holdings III GP L.L.C. and the limited partners of Blackstone Holdings III L.P. party thereto.
10.4	Amended and Restated Limited Partnership Agreement of Blackstone Holdings IV L.P., dated as of June 18, 2007, by and among Blackstone Holdings IV GP L.P. and the limited partners of Blackstone Holdings IV L.P. party thereto.
10.5	Amended and Restated Limited Partnership Agreement of Blackstone Holdings V L.P., dated as of June 18, 2007, by and among Blackstone Holdings V GP L.P. and the limited partners of Blackstone Holdings V L.P. party thereto.
10.6	Tax Receivable Agreement, dated as of June 18, 2007, by and among Blackstone Holdings I/II GP Inc., Blackstone Holdings I L.P., Blackstone Holdings II L.P. and the limited partners of Blackstone Holdings I L.P. and Blackstone Holdings II L.P. party thereto.
10.7	Exchange Agreement, dated as of June 18, 2007, among The Blackstone Group L.P., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P. and the Blackstone Holdings Limited Partners. party thereto.
10.8	Registration Rights Agreement, dated as of June 18, 2007.
10.9	2007 Equity Incentive Plan.
10.10	Founding Member Agreement of Stephen A. Schwarzman, dated as of June 18, 2007, by and among Blackstone Holdings I L.P. and Stephen A. Schwarzman.
10.11	Founding Member Agreement of Peter G. Peterson, dated as of June 18, 2007, by and among Blackstone Holdings I L.P. and Peter G. Peterson.
10.12	Second Amended and Restated Limited Liability Company Agreement of BMA V L.L.C., dated as of May 31, 2007, by and among Blackstone Holdings III L.P. and certain members of BMA V L.L.C.
10.13	Second Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Management Associates International L.P., dated as of May 31, 2007, by and among BREA International (Cayman) Ltd. and certain limited partners.
10.14	Second Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Management Associates International II L.P., dated as of May 31, 2007, by and among BREA International (Cayman) II Ltd. and certain limited partners.

10.15	Second Amended and Restated Limited Liability Company Agreement of Blackstone Management Associates IV L.L.C., dated as of May 31, 2007, by and among Blackstone Holdings III L.P. and certain members of Blackstone Management Associates IV L.L.C.
10.16	Second Amended and Restated Limited Liability Company Agreement of Blackstone Mezzanine Management Associates L.L.C., dated as of May 31, 2007, by and among Blackstone Holdings III L.P. and certain members of Blackstone Mezzanine Management Associates L.L.C.
10.17	Second Amended and Restated Limited Liability Company Agreement of Blackstone Mezzanine Management Associates II L.L.C., dated as of May 31, 2007, by and among Blackstone Holdings III L.P. and certain members of Blackstone Mezzanine Management Associates II L.L.C.
10.18	Second Amended and Restated Limited Liability Company Agreement of BREA IV L.L.C., dated as of May 31, 2007, by and among Blackstone Holdings III L.P. and certain members of BREA IV L.L.C.
10.19	Second Amended and Restated Limited Liability Company Agreement of BREA V L.L.C., dated as of May 31, 2007, by and among Blackstone Holdings III L.P. and certain members of BREA V L.L.C.
10.20	Second Amended and Restated Limited Liability Company Agreement of BREA VI L.L.C., dated as of May 31, 2007, by and among Blackstone Holdings III L.P. and certain members of BREA VI L.L.C.
10.21	Second Amended and Restated Limited Liability Company Agreement of Blackstone Communications Management Associates I L.L.C., dated as of May 31, 2007, by and among Blackstone Holdings III L.P. and certain members of Blackstone Communications Management Associates I L.L.C.
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a).
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a).
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: August 13, 2007

The Blackstone Group L.P.

By: Blackstone Group Management L.L.C.,
its general partner

/s/ Michael A. Puglisi
Name: Michael A. Puglisi
Title: Chief Financial Officer

Exhibit 10.1

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

BLACKSTONE HOLDINGS I L.P.

Dated as of June 18, 2007

THE PARTNERSHIP UNITS OF BLACKSTONE HOLDINGS I L.P. HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, THE SECURITIES LAWS OF ANY STATE, PROVINCE OR ANY OTHER APPLICABLE SECURITIES LAWS AND ARE BEING SOLD IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH UNITS MUST BE ACQUIRED FOR INVESTMENT ONLY AND MAY NOT BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED OR TRANSFERRED AT ANY TIME EXCEPT IN COMPLIANCE WITH (I) THE SECURITIES ACT, ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR PROVINCE, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT. THE UNITS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS LIMITED PARTNERSHIP AGREEMENT. THEREFORE, PURCHASERS AND OTHER TRANSFEREES OF SUCH UNITS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT OR ACQUISITION FOR AN INDEFINITE PERIOD OF TIME.

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ARTICLE IX

DISSOLUTION, LIQUIDATION AND TERMINATION

ARTICLE X

LIABILITY AND INDEMNIFICATION

ARTICLE XI

MISCELLANEOUS

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

BLACKSTONE HOLDINGS I L.P.

This AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT (this " Agreement ") of Blackstone Holdings I L.P. (the " Partnership ") is made as of the 18th day of June, 2007, by and among Blackstone Holdings I/II GP Inc., a corporation formed under the laws of the State of Delaware, as general partner, and the Limited Partners (as defined herein) of the Partnership.

WHEREAS, the Partnership was formed as a limited partnership pursuant to the Act, by the filing of a Certificate of Limited Partnership (the " Certificate ") with the Office of the Secretary of State of the State of Delaware and the execution of the Limited Partnership Agreement of the Partnership dated as of May 18, 2007 (the " Original Agreement "); and

WHEREAS, the parties hereto desire to enter into this Amended and Restated Limited Partnership Agreement of the Partnership and to permit the admission of the Limited Partners to the Partnership.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein made and intending to be legally bound hereby, the parties hereto agree to amend and restate the Original Agreement in its entirety to read as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions . Capitalized terms used herein without definition have the following meanings (such meanings being equally applicable to both the singular and plural form of the terms defined):

" Act " means, the Delaware Revised Uniform Limited Partnership Act, 6 Del. C. Section 17-101, et seq., as it may be amended from time to time.

" Additional Credit Amount " has the meaning set forth in Section 4.01(b)(ii).

" Adjusted Capital Account Balance " means, with respect to each Partner, the balance in such Partner's Capital Account adjusted (i) by taking into account the adjustments, allocations and distributions described in U.S. Treasury Regulations Sections 1.704-1(b)(2)(ii)(c)(4), (5) and (6); and (ii) by adding to such balance such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5), any amounts such Partner is obligated to restore pursuant to any provision of this Agreement or by applicable Law. The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

" Affiliate " means, with respect to a specified Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such specified Person.

" Agreement " has the meaning set forth in the preamble of this Agreement.

" Amended Tax Amount " has the meaning set forth in Section 4.01(b)(ii).

" Assignee " has the meaning set forth in Section 8.08.

" Assumed Tax Rate " means the highest effective marginal combined U.S. federal, state and local income tax rate for a Fiscal Year prescribed for an individual or corporate resident in New York, New York (taking into account (a) the nondeductiblity of expenses subject to the limitation described in Section 67(a) of the Code and (b) the character (e.g., long-term or short-term capital gain or ordinary or exempt income) of the applicable income, but not taking into account the deductibility of state and local income taxes for U.S. federal income tax purposes). For the avoidance of doubt, the Assumed Tax Rate will be the same for all Partners.

" Available Cash " means, with respect to any fiscal period, the amount of cash on hand which the General Partner, in its reasonable discretion, deems available for distribution to the Partners, taking into account all debts, liabilities and obligations of the Partnership then due and amounts which the General Partner, in its reasonable discretion, deems necessary to expend or retain for working capital or to place into reserves for customary and usual claims with respect to the Partnership's operations.

" Blackstone Holdings Partnerships " means each of the Partnership, Blackstone Holdings II L.P., a Delaware limited partnership, Blackstone Holdings III L.P., a Delaware limited partnership, Blackstone Holdings IV L.P., a Québec société en commandite, and Blackstone Holdings V L.P., a Québec société en commandite.

" Capital Account " means the separate capital account maintained for each Partner in accordance with Section 5.03 hereof.

" Capital Contribution " means, with respect to any Partner, the aggregate amount of money contributed to the Partnership and the Carrying Value of any property (other than money), net of any liabilities assumed by the Partnership upon contribution or to which such property is subject, contributed to the Partnership pursuant to Article V.

" Carrying Value " means, with respect to any Partnership asset, the asset's adjusted basis for U.S. federal income tax purposes, except that the initial carrying value of assets contributed to the Partnership shall be their respective gross fair market values on the date of contribution as determined by the General Partner, and the Carrying Values of all Partnership assets shall be adjusted to equal their respective fair market values, in accordance with the rules set forth in United States Treasury Regulation Section 1.704-1(b)(2)(iv)(f), except as otherwise provided herein, as of: (a) the date of the acquisition of any additional Partnership Interest by any new or existing Partner in exchange for more than a de minimis Capital Contribution; (b) the date of the distribution of more than a de minimis

amount of Partnership assets to a Partner; (c) the date a Partnership Interest is relinquished to the Partnership; or (d) any other date specified in the United States Treasury Regulations; provided , however, that adjustments pursuant to clauses (a), (b) (c) and (d) above shall be made only if such adjustments are deemed necessary or appropriate by the General Partner to reflect the relative economic interests of the Partners. The Carrying Value of any Partnership asset distributed to any Partner shall be adjusted immediately before such distribution to equal its fair market value. In the case of any asset that has a Carrying Value that differs from its adjusted tax basis, Carrying Value shall be adjusted by the amount of depreciation calculated for purposes of the definition of "Profits (Losses)" rather than the amount of depreciation determined for U.S. federal income tax purposes, and depreciation shall be calculated by reference to Carrying Value rather than tax basis once Carrying Value differs from tax basis.

" Category 1 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 1 Limited Partner.

" Category 2 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 2 Limited Partner.

" Category 3 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 3 Limited Partner.

" Category 4 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 4 Limited Partner.

" Category 5 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 5 Limited Partner.

" Category 6 Limited Partner " means the Limited Partner identified in the books and records of the Partnership as a Category 6 Limited Partner.

" Cause " means the occurrence or existence of any of the following as determined fairly, reasonably, on an informed basis and in good faith by the General Partner: (i) (w) any breach by an Employed Limited Partner of any provision of this Agreement or the Non-Competition Agreement attached hereto, (x) any material breach of any rules or regulations applicable to senior managing directors or employees, as applicable, of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, (y) an Employed Limited Partner's deliberate failure to perform his or her duties to the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, or (z) an Employed Limited Partner's committing to or engaging in any conduct or behavior that is or may be harmful to the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities in any material way (provided that, in the case of any of the foregoing clauses (w), (x), (y) and (z), the General Partner has given the Employed Limited Partner written notice (a " Notice of Breach ") within fifteen days after the General Partner becomes aware of such action and such Employed Limited Partner fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt by the Employed Limited Partner of such Notice of Breach from the General Partner (or such longer period, not to exceed an additional

fifteen days, as shall be reasonably required for such cure, provided , that such Employed Limited Partner is diligently pursuing such cure), (iii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, or (iv) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a U.S. federal or state or comparable non-U.S. regulatory body or by a self-regulatory body having authority with respect to U.S. federal or state or comparable non-U.S. securities laws, rules or regulations of the securities industry, that such Employed Limited Partner individually has violated any U.S. federal or state or comparable non-U.S. securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Employed Limited Partner's ability to function as a senior managing director or employee, as applicable, of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, taking into account the services required of Employed Limited Partner and the nature of the business of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities or (B) the business of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities.

" Certificate " has the meaning set forth in the preamble of this Agreement.

" Change of Control " means the occurrence of any Person, other than a Person approved by the current Issuer General Partner, becoming the general partner of the Issuer.

" Charity " means any organization that is organized and operated for a purpose described in Section 170(c) of the Code (determined without reference to Code Section 170(c)(2)(A)) and described in Code Sections 2055(a) and 2522.

" Class " means the classes of Units into which the interests in the Partnership may be classified or divided from time to time pursuant to the provisions of this Agreement.

" Class A Units " means the Units of partnership interest in the Partnership designated as the "Class A Units" herein and having the rights pertaining thereto as are set forth in this Agreement.

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

" Common Units " means common units representing limited partner interests of the Issuer.

" Contingencies " has the meaning set forth in Section 9.03(b).

" Control " (including the terms " Controlled by " and " under common Control with ") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise, including, without limitation, the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body governing the affairs of such Person.

" Credit Amount " has the meaning set forth in Section 4.01(b)(ii) of this Agreement.

" Creditable Non-U.S. Tax " means a non-U.S. tax paid or accrued for United States federal income tax purposes by the Partnership, in either case to the extent that such tax is eligible for credit under Section 901(a) of the Code. A non-U.S. tax is a Creditable Non-U.S. Tax for these purposes without regard to whether a partner receiving an allocation of such non-U.S. tax elects to claim a credit for such amount. This definition is intended to be consistent with the definition of "Creditable Non-U.S. Tax" in Temporary Treasury Regulations Section 1.704-1T(b)(4)(xi)(*b*), and shall be interpreted consistently therewith.

" Delaware Arbitration Act " has the meaning set forth in Section 11.10(d) of this Agreement.

" Disability " means, as to any Person, such Person's inability to perform in all material respects his or her duties and responsibilities to the General Partner, or any of its Affiliates, by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the General Partner may reasonably determine in good faith.

" Disabling Event " means the General Partner ceasing to be the general partner of the Partnership pursuant to Section 17-402 of the Act.

" Dissolution Event " has the meaning set forth in Section 9.02 of this Agreement.

" Employed Limited Partner " means any Limited Partner that is employed by or providing services to the Issuer General Partner, the Issuer, the General Partner, the Partnership or any of its subsidiaries at the time in question, and any Personal Planning Vehicle of such Limited Partner.

" Encumbrance " means any mortgage, claim, lien, encumbrance, conditional sales or other title retention agreement, right of first refusal, preemptive right, pledge, option, charge, security interest or other similar interest, easement, judgment or imperfection of title of any nature whatsoever.

" ERISA " means The Employee Retirement Income Security Act of 1974, as amended.

" Exchange Act " means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

" Exchange Agreement " means the exchange agreement dated as of or about the date hereof among the Issuer, the Blackstone Holdings Partnerships and the limited partners of the Blackstone Holdings Partnerships from time to time, as amended from time to time.

" Exchange Transaction " means an exchange of Units for Common Units pursuant to, and in accordance with, the Exchange Agreement or, if the Issuer and the exchanging Limited Partner shall mutually agree, a Transfer of Units to the Issuer, the Partnership or any of their subsidiaries for other consideration.

" Final Tax Amount " has the meaning set forth in Section 4.01(b)(ii).

" Fiscal Year " means (i) the period commencing upon the formation of the Partnership and ending on December 31, 2007 or (ii) any subsequent twelve-month period commencing on January 1 and ending on December 31.

" GAAP " means accounting principles generally accepted in the United States of America as in effect from time to time.

" General Partner " means Blackstone Holdings I/II GP Inc., a corporation formed under the laws of the State of Delaware or any successor general partner admitted to the Partnership in accordance with the terms of this Agreement.

" Government Official " means a person who holds a high-level, full-time position with a national, supranational, U.S. federal, U.S. state or City of New York government.

" Incapacity " means, with respect to any Person, the bankruptcy, dissolution, termination, entry of an order of incompetence, or the insanity, permanent disability or death of such Person.

" Initial Limited Partner " means each Limited Partner as of the date of this Agreement.

" Initial Units " means, with respect to any Initial Limited Partner, the aggregate number of Class A Units owned by such Initial Limited Partner as of the date of this Agreement.

" Initial Unvested Units " means, with respect to any Initial Limited Partner, the aggregate number of Unvested Units owned by such Initial Limited Partner as of the date of this Agreement.

" Initial Vested Units " means, with respect to any Initial Limited Partner, the aggregate number of Vested Units listed in the books and records of the Partnership as of the date of this Agreement, and any additional Initial Units that have vested from time to time in accordance with Section 8.01 of this Agreement.

" Intangible Assets " means the assets of the Partnership that are described in Section 197(d) of the Code.

" Intangible Asset Gain " means the net gain recognized by the Partnership with respect to the Partnership's Intangible Assets in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership, including but not limited to net capital gain realized in connection with an adjustment to the Carrying Value of Partnership

assets; provided , however , that any such gain shall constitute "Intangible Asset Gain" only to the extent that any such gain exceeds losses previously recognized in an actual or hypothetical sale of Intangible Assets.

" IPO " means the initial public offering and sale of Common Units, as contemplated by the Issuer's Registration Statement on Form S-1 (File No. 333-141504).

" Issuer " means The Blackstone Group L.P., a limited partnership formed under the laws of the State of Delaware, or any successor thereto.

" Issuer General Partner " means Blackstone Group Management L.L.C., a limited liability company formed under the laws of the State of Delaware and the general partner of the Issuer, or any successor general partner of the Issuer.

" Issuer Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of the Issuer to be dated substantially concurrently with the consummation of the IPO, as such agreement of limited partnership may be amended, supplemented or restated from time to time.

" Law " means any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree or other order issued or promulgated by any national, supranational, state, federal, provincial, local or municipal government or any administrative or regulatory body with authority therefrom with jurisdiction over the Partnership or any Partner, as the case may be.

" Limited Partner " means each of the Persons from time to time listed as a limited partner in the books and records of the Partnership, and, for purposes of Sections 8.01, 8.02, 8.03, 8.04, 8.05 and 8.06, any Personal Planning Vehicle of such Limited Partner.

" Liquidation Agent " has the meaning set forth in Section 9.03 of this Agreement.

" Last Reported Sale Price " of the Common Units on any date means:

(a) the closing sale price per unit on the New York Stock Exchange on that date (or, if no closing sale price is reported, the last reported sale price);

(b) if the Common Units are not listed for trading on the New York Stock Exchange, the closing sale price (or, if no closing sale price is reported, the last reported sale price) as reported on that date in composite transactions for the principal national securities exchange registered pursuant to Section 6(g) of the Exchange Act on which the Common Units are listed;

(c) if the Common Units are not so listed on a national securities exchange, the last quoted bid price for the Common Units on that date in the over-the-counter market as reported by Pink Sheets LLC or a similar organization; or

(d) if the Common Units are not so quoted by Pink Sheets LLC or a similar organization, the average of the mid-point of the last bid and ask prices for the Common Units on that date from a nationally recognized independent investment banking firm selected by the General Partner for this purpose.

" Minimum Retained Ownership Requirement " has the meaning set forth in Section 8.04(a).

" Net Taxable Income " has the meaning set forth in Section 4.01(b)(i).

" Non-Competition Agreement " means collectively, the Senior Managing Director Non-Competition and Non-Solicitation Agreement and Contracting Employees Non-Competition and Non-Solicitation Agreement dated on or about the date hereof by certain Employed Limited Partners with each of the Blackstone Holdings Partnerships and any agreement with respect to similar subject matter entered into from time to time by an Employed Limited Partner.

" Nonrecourse Deductions " has the meaning set forth in Treasury Regulations Section 1.704-2(b). The amount of Nonrecourse Deductions of the Partnership for a fiscal year equals the net increase, if any, in the amount of Partnership Minimum Gain of the Partnership during that fiscal year, determined according to the provisions of Treasury Regulations Section 1.704-2(c).

" Original Agreement " has the meaning set forth in the preamble of this Agreement.

" Partners " means, at any time, each person listed as a Partner (including the General Partner) on the books and records of the Partnership, in each case for so long as he, she or it remains a partner of the Partnership as provided hereunder.

" Partnership " has the meaning set forth in the preamble of this Agreement.

" Partnership Minimum Gain " has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

" Partner Nonrecourse Debt Minimum Gain " means an amount with respect to each partner nonrecourse debt (as defined in Treasury Regulations Section 1.704-2(b)(4)) equal to the Partnership Minimum Gain that would result if such partner nonrecourse debt were treated as a nonrecourse liability (as defined in Treasury Regulations Section 1.752-1(a)(2)) determined in accordance with Treasury Regulations Section 1.704-2(i)(3).

" Partner Nonrecourse Deductions " has the meaning ascribed to the term "partner nonrecourse deductions" set forth in Treasury Regulations Section 1.704-2(i)(2).

" Person " means any individual, corporation, partnership, limited partnership, limited liability company, limited company, joint venture, trust, unincorporated or governmental organization or any agency or political subdivision thereof.

" Personal Planning Vehicle " means, in respect of any Limited Partner, any estate, family limited liability company, family limited partnership, or inter vivos or testamentary trust that holds Units that is designated as a Personal Planning Vehicle of such Limited Partner in the books and records of the Partnership.

" Profits " and " Losses " means, for each Fiscal Year or other period, the taxable income or loss of the Partnership, or particular items thereof, determined in accordance with the accounting method used by the Partnership for U.S. federal income tax purposes with the following adjustments: (a) all items of income, gain, loss or deduction allocated pursuant to Section 5.05 shall not be taken into account in computing such taxable income or loss; (b) any income of the Partnership that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Profits and Losses shall be added to such taxable income or loss; (c) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, any gain or loss resulting from a disposition of such asset shall be calculated with reference to such Carrying Value; (d) upon an adjustment to the Carrying Value (other than an adjustment in respect of depreciation) of any asset, pursuant to the definition of Carrying Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (e) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, the amount of depreciation, amortization or cost recovery deductions with respect to such asset for purposes of determining Profits and Losses, if any, shall be an amount which bears the same ratio to such Carrying Value as the U.S. federal income tax depreciation, amortization or other cost recovery deductions bears to such adjusted tax basis (provided that if the U.S. federal income tax depreciation, amortization or other cost recovery deduction is zero, the General Partner may use any reasonable method for purposes of determining depreciation, amortization or other cost recovery deductions in calculating Profits and Losses); and (f) except for items in (a) above, any expenditures of the Partnership not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Profits and Losses pursuant to this definition shall be treated as deductible items.

" Restricted Period ," with respect to each Limited Partner that is or was an Employed Limited Partner, has the meaning set forth in such Limited Partner's Non-Competition Agreement.

" Restrictive Covenant ," with respect to each Limited Partner that is or was an Employed Limited Partner, has the meaning set forth in such Limited Partner's Non-Competition Agreement.

" Retirement " (including the term " Retire ") means retirement of an Employed Limited Partner from his or her employment with the Issuer General Partner, the Issuer, the General Partner, the Partnership or any of their subsidiaries after (a) he or she has reached age 65 and has at least five full years of service, or (b) (i) his or her age plus years of service totals at least 65, (ii) he or she has reached age 50 and (iii) he or she has had a minimum of five years of service; provided , however, that no Employed Limited Partner will be eligible to Retire prior to June 30, 2010.

" Securities Act " means the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

" Similar Law " means any law or regulation that could cause the underlying assets of the Partnership to be treated as assets of the Limited Partner by virtue of its limited partner interest in the Partnership and thereby subject the Partnership and the General Partner (or other persons responsible for the investment and operation of the Partnership's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the Code.

" Tax Advances " has the meaning set forth in Section 5.07.

" Tax Amount " has the meaning set forth in Section 4.01(b)(i).

" Tax Distributions " has the meaning set forth in Section 4.01(b)(i).

" Tax Matters Partner " has the meaning set forth in Section 5.08.

" Total Percentage Interest " means, with respect to any Partner, the quotient obtained by dividing the number of Units (vested or unvested) then owned by such Partner by the number of Units then owned by all Partners.

" Transfer " means, in respect of any Unit, property or other asset, any sale, assignment, transfer, distribution or other disposition thereof, whether voluntarily or by operation of Law, including, without limitation, the exchange of any Unit for any other security.

" Transferee " means any Person that is a transferee of a Partner's interest in the Partnership, or part thereof.

" Treasury Regulations " means the income tax regulations, including temporary regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

" Units " means the Class A Units and any other Class of Units authorized in accordance with this Agreement, which shall constitute interests in the Partnership as provided in this Agreement and under the Act, entitling the holders thereof to the relative rights, title and interests in the profits, losses, deductions and credits of the Partnership at any particular time as set forth in this Agreement, and any and all other benefits to which a holder thereof may be entitled as a Partner as provided in this Agreement, together with the obligations of such Partner to comply with all terms and provisions of this Agreement.

" Unvested Units " means those Units listed as unvested Units in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement.

" Vested Percentage Interest " means, with respect to any Partner, the quotient obtained by dividing the number of Vested Units then owned by such Partner by the number of Vested Units then owned by all Partners.

" Vested Units " means those Units listed as vested Units in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement.

ARTICLE II

FORMATION, TERM, PURPOSE AND POWERS

SECTION 2.01. Formation . The Partnership was formed as a limited partnership under the provisions of the Act by the filing on May 18, 2007 of the Certificate as provided in the preamble of this Agreement and the execution of the Original Agreement. If requested by the General Partner, the Limited Partners shall promptly execute all certificates and other documents consistent with the terms of this Agreement necessary for the General Partner to accomplish all filing, recording, publishing and other acts as may be appropriate to comply with all requirements for (a) the formation and operation of a limited partnership under the laws of the State of Delaware, (b) if the General Partner deems it advisable, the operation of the Partnership as a limited partnership, or partnership in which the Limited Partners have limited liability, in all jurisdictions where the Partnership proposes to operate and (c) all other filings required to be made by the Partnership.

SECTION 2.02. Name . The name of the Partnership shall be, and the business of the Partnership shall be conducted under the name of, Blackstone Holdings I L.P.

SECTION 2.03. Term . The term of the Partnership commenced on the date of the filing of the Certificate, and the term shall continue until the dissolution of the Partnership in accordance with Article IX. The existence of the Partnership shall continue until cancellation of the Certificate in the manner required by the Act.

SECTION 2.04. Offices . The Partnership may have offices at such places either within or outside the State of Delaware as the General Partner from time to time may select.

SECTION 2.05. Agent for Service of Process . The Partnership's registered agent for service of process in the State of Delaware shall be as set forth in the Certificate, as the same may be amended by the General Partner from time to time.

SECTION 2.06. Business Purpose . The Partnership was formed for the object and purpose of, and the nature and character of the business to be conducted by the Partnership is, engaging in any lawful act or activity for which limited partnerships may be formed under the Act.

SECTION 2.07. Powers of the Partnership . Subject to the limitations set forth in this Agreement, the Partnership will possess and may exercise all of the powers and privileges granted to it by the Act including, without limitation, the ownership and operation of the assets contributed to the Partnership by the Partners, by any other Law or this Agreement, together with all powers incidental thereto, so far as such powers are necessary or convenient to the conduct, promotion or attainment of the purpose of the Partnership set forth in Section 2.06.

SECTION 2.08. Partners; Admission of New Partners . Each of the Persons listed in the books and records of the Partnership, as the same may be amended from time to time in

accordance with this Agreement, by virtue of the execution of this Agreement, are admitted as Partners of the Partnership. The rights, duties and liabilities of the Partners shall be as provided in the Act, except as is otherwise expressly provided herein, and the Partners consent to the variation of such rights, duties and liabilities as provided herein. A Person may be admitted from time to time as a new Partner in accordance with Section 8.10; provided , however, that each new Partner shall execute and deliver to the General Partner an appropriate supplement to this Agreement pursuant to which the new Partner agrees to be bound by the terms and conditions of the Agreement, as it may be amended from time to time.

SECTION 2.09. Withdrawal . No Partner shall have the right to withdraw as a Partner of the Partnership other than following the Transfer of all Units owned by such Partner in accordance with Article VIII; provided , however, that a new General Partner or substitute General Partner may be admitted to the Partnership in accordance with Section 8.09.

ARTICLE III

MANAGEMENT

SECTION 3.01. General Partner . (a) The business, property and affairs of the Partnership shall be managed under the sole, absolute and exclusive direction of the General Partner, which may from time to time delegate authority to officers or to others to act on behalf of the Partnership.

(b) Without limiting the foregoing provisions of this Section 3.01, the General Partner shall have the general power to manage or cause the management of the Partnership (which may be delegated to officers of the Partnership), including, without limitation, the following powers:

(i) to develop and prepare a business plan each year which will set forth the operating goals and plans for the Partnership;

(ii) to execute and deliver or to authorize the execution and delivery of contracts, deeds, leases, licenses, instruments of transfer and other documents on behalf of the Partnership;

(iii) the making of any expenditures, the lending or borrowing of money, the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness and the incurring of any other obligations;

(iv) to employ, retain, consult with and dismiss personnel;

(v) to establish and enforce limits of authority and internal controls with respect to all personnel and functions;

(vi) to engage attorneys, consultants and accountants for the Partnership;

(vii) to develop or cause to be developed accounting procedures for the maintenance of the Partnership's books of account; and

(viii) to do all such other acts as shall be authorized in this Agreement or by the Partners in writing from time to time.

SECTION 3.02. Compensation . The General Partner shall not be entitled to any compensation for services rendered to the Partnership in its capacity as General Partner.

SECTION 3.03. Expenses . The Partnership shall bear and/or reimburse the General Partner for any expenses incurred by the General Partner in connection with serving as the general partner of the Partnership.

SECTION 3.04. Officers . Subject to the direction and oversight of the General Partner, the day-to-day administration of the business of the Partnership may be carried out by employees and agents who may be designated as officers by the General Partner, with titles including but not limited to "chief executive officer," "chief financial officer," "chief legal officer," "chief administrative officer," "chief compliance officer," "principal accounting officer," "chairman," "senior chairman," "vice chairman," "president," "vice president," "treasurer," "assistant treasurer," "secretary," "assistant secretary," "general manager," "senior managing director," "managing director" and "director," as and to the extent authorized by the General Partner. The officers of the Partnership shall have such titles and powers and perform such duties as shall be determined from time to time by the General Partner and otherwise as shall customarily pertain to such offices. Any number of offices may be held by the same person. All employees, agents and officers shall be subject to the supervision and direction of the General Partner and may be removed from such office by the General Partner and the authority, duties or responsibilities of any employee, agent or officer of the Partnership may be suspended by the General Partner from time to time, in each case in the sole discretion of the General Partner. The General Partner shall not cease to be a general partner of the Partnership as a result of the delegation of any duties hereunder. No officer of the Partnership, in its capacity as such, shall be considered a general partner of the Partnership by agreement, estoppel, as a result of the performance of its duties hereunder or otherwise.

SECTION 3.05. Authority of Partners . No Limited Partner, in its capacity as such, shall participate in or have any control over the business of the Partnership. Except as expressly provided herein, the Units do not confer any rights upon the Limited Partners to participate in the affairs of the Partnership described in this Agreement. Except as expressly provided herein, the Limited Partners shall have no right to vote on any matter involving the Partnership, including with respect to any merger, consolidation, combination or conversion of the Partnership. The conduct, control and management of the Partnership shall be vested exclusively in the General Partner. In all matters relating to or arising out of the conduct of the operation of the Partnership, the decision of the General Partner shall be the decision of the Partnership. Except as required or permitted by Law, or expressly provided in the ultimate sentence of this Section 3.05 or by separate agreement with the Partnership, no Partner who is not also a General Partner (and acting in such capacity) shall take any part in the management or control of the operation or business of the Partnership in its capacity as a Partner, nor shall any Partner who is not also a General Partner (and acting in such capacity) have any right, authority or power to act for or on behalf of or bind the Partnership in his

or its capacity as a Partner in any respect or assume any obligation or responsibility of the Partnership or of any other Partner. Notwithstanding the foregoing, the Partnership may employ one or more Partners from time to time, and such Partners, in their capacity as employees of the Partnership (and not, for clarity, in their capacity as Limited Partners of the Partnership), may take part in the control and management of the business of the Partnership to the extent such authority and power to act for or on behalf of the Partnership has been delegated to them by the General Partner.

SECTION 3.06. Action by Written Consent or Ratification . Any action required or permitted to be taken by the Partners pursuant to this Agreement shall be taken if all Partners whose consent or ratification is required consent thereto or provide a ratification in writing.

ARTICLE IV

DISTRIBUTIONS

SECTION 4.01. Distributions . (a) The General Partner, in its sole discretion, may authorize distributions by the Partnership to the Partners, which distributions shall be made *pro rata* in accordance with the Partners' respective Total Percentage Interests. Notwithstanding the foregoing, any distributions in respect of income of the Partnership earned on or prior to December 31, 2009 shall be made each Fiscal Year (A) first, to the General Partner until sufficient distributions from the Partnership, together with distributions from the other Blackstone Holdings Partnerships to their respective general partners, have been so allocated to permit the Issuer to make aggregate distributions to holders of Common Units of US$1.20 per Common Unit on an annualized basis for such Fiscal Year; (B) second, to the Limited Partners until an amount of distributions (on a per Unit basis) equivalent to the distributions to the General Partner under clause (A) of this Section 4.01 has been distributed in respect of each Limited Partners' respective Total Percentage Interests for such Fiscal Year; and (C) third, *pro rata* in accordance with the Partners' respective Total Percentage Interests.

(b) (i) In addition to the foregoing, if the General Partner reasonably determines that the taxable income of the Partnership for a Fiscal Year will give rise to taxable income for the Partners (" Net Taxable Income "), the General Partner shall cause the Partnership to distribute Available Cash in respect of income tax liabilities (the " Tax Distributions ") to the extent that other distributions made by the Partnership for such year were otherwise insufficient to cover such tax liabilities, provided that distributions pursuant to Section 4.04 and allocations pursuant to Section 5.04 related to such distributions shall not be taken into account for purposes of this Section 4.01(b). The Tax Distributions payable with respect to any Fiscal Year shall be computed based upon the General Partner's estimate of the allocable Net Taxable Income in accordance with Article V, multiplied by the Assumed Tax Rate (the " Tax Amount "). For purposes of computing the Tax Amount, the effect of any benefit under Section 743(b) of the Code will be ignored.

(ii) Tax Distributions shall be calculated and paid no later than one day prior to each quarterly due date for the payment by corporations on a calendar year of estimated taxes under the Code in the following manner (A) for the first quarterly period, 25% of the Tax Amount, (B) for the second quarterly period, 50% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year, (C) for the third quarterly period, 75% of the Tax

Amount, less the prior Tax Distributions for the Fiscal Year and (D) for the fourth quarterly period, 100% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year. Following each Fiscal Year, and no later than one day prior to the due date for the payment by corporations of income taxes for such Fiscal Year, the General Partner shall make an amended calculation of the Tax Amount for such Fiscal Year (the " Amended Tax Amount "), and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Amended Tax Amount so calculated exceeds the cumulative Tax Distributions previously made by the Partnership in respect of such Fiscal Year. If the Amended Tax Amount is less than the cumulative Tax Distributions previously made by the Partnership in respect of the relevant Fiscal Year, then the difference (the " Credit Amount ") shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Within 30 days following the date on which the Partnership files a tax return on Form 1065, the General Partner shall make a final calculation of the Tax Amount of such Fiscal Year (the " Final Tax Amount ") and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Final Tax Amount so calculated exceeds the Amended Tax Amount. If the Final Tax Amount is less than the Amended Tax Amount in respect of the relevant Fiscal Year, then the difference (" Additional Credit Amount ") shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Any Credit Amount and Additional Credit Amount applied against future Tax Distributions shall be treated as an amount actually distributed pursuant to this Section 4.01(b) for purposes of the computations herein.

SECTION 4.02. Liquidation Distribution . Distributions made upon dissolution of the Partnership shall be made as provided in Section 9.03.

SECTION 4.03. Limitations on Distribution . Notwithstanding any provision to the contrary contained in this Agreement, the General Partner shall not make a Partnership distribution to any Partner if such distribution would violate Section 17-607 of the Act or other applicable Law.

SECTION 4.04. Other Distributions . Distributions to each Partner pursuant to a Senior Managing Director Agreement or a Founding Member Agreement shall constitute interests in the Partnership for U.S. federal income tax purposes.

ARTICLE V

CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS; TAX ALLOCATIONS; TAX MATTERS

SECTION 5.01. Initial Capital Contributions . (a) The Partners have made, on or prior to the date hereof, Capital Contributions and, in exchange, the Partnership has issued to the Partners the number of Class A Units as specified in the books and records of the Partnership.

(b) Upon issuance by the Partnership of Class A Units to the Partners, the interests in the Partnership as provided in this Agreement and under the Act held by Blackstone Holdings I/II Limited Partner L.L.C. will be cancelled.

SECTION 5.02. No Additional Capital Contributions . Except as otherwise provided in this Article V, no Partner shall be required to make additional Capital Contributions to the Partnership without the consent of such Partner or permitted to make additional capital contributions to the Partnership without the consent of the General Partner.

SECTION 5.03. Capital Accounts . A separate capital account (a " Capital Account ") shall be established and maintained for each Partner in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv). The Capital Account of each Partner shall be credited with such Partner's Capital Contributions, if any, all Profits allocated to such Partner pursuant to Section 5.04 and any items of income or gain which are specially allocated pursuant to Section 5.05; and shall be debited with all Losses allocated to such Partner pursuant to Section 5.04, any items of loss or deduction of the Partnership specially allocated to such Partner pursuant to Section 5.05, and all cash and the Carrying Value of any property (net of liabilities assumed by such Partner and the liabilities to which such property is subject) distributed by the Partnership to such Partner. Any references in any section of this Agreement to the Capital Account of a Partner shall be deemed to refer to such Capital Account as the same may be credited or debited from time to time as set forth above. In the event of any transfer of any interest in the Partnership in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

SECTION 5.04. Allocations of Profits and Losses . Except as otherwise provided in this Agreement, Profits and Losses (and, to the extent necessary, individual items of income, gain or loss or deduction of the Partnership) shall be allocated in a manner such that the Capital Account of each Partner after giving effect to the Special Allocations set forth in Section 5.05 is, as nearly as possible, equal (proportionately) to (i) the distributions that would be made pursuant to Article IV if the Partnership were dissolved, its affairs wound up and its assets sold for cash equal to their Carrying Value, all Partnership liabilities were satisfied (limited with respect to each non-recourse liability to the Carrying Value of the assets securing such liability) and the net assets of the Partnership were distributed to the Partners pursuant to this Agreement, minus (ii) such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, computed immediately prior to the hypothetical sale of assets. For purposes of this Article V, each Unvested Unit shall be treated as a Vested Unit. Notwithstanding the foregoing, the General Partner shall make such adjustments to Capital Accounts as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a partner's interest in the Partnership.

SECTION 5.05. Special Allocations . Notwithstanding any other provision in this Article V:

(a) Minimum Gain Chargeback . If there is a net decrease in Partnership Minimum Gain or Partner Nonrecourse Debt Minimum Gain (determined in accordance with the principles of Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any Partnership taxable year, the Partners shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to their respective shares of such net decrease during such year, determined pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Treasury Regulations Section 1.704-2(f). This Section 5.05(a) is intended to comply with the minimum gain chargeback requirements in such Treasury Regulations Sections and shall be interpreted consistently therewith; including that no chargeback shall be required to the extent of the exceptions provided in Treasury Regulations Sections 1.704-2(f) and 1.704-2(i)(4).

(b) Qualified Income Offset . If any Partner unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Partnership income and gain shall be specially allocated to such Partner in an amount and manner sufficient to eliminate the deficit balance in such Partner's Adjusted Capital Account Balance created by such adjustments, allocations or distributions as promptly as possible; provided that an allocation pursuant to this Section 5.05(b) shall be made only to the extent that a Partner would have a deficit Adjusted Capital Account Balance in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if this Section 5.05(b) were not in this Agreement. This Section 5.05(b) is intended to comply with the "qualified income offset" requirement of the Code and shall be interpreted consistently therewith.

(c) Gross Income Allocation . If any Partner has a deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of (i) the amount such Partner is obligated to restore, if any, pursuant to any provision of this Agreement, and (ii) the amount such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Section 1.704-2(g)(1) and 1.704-2(i)(5), each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible; provided that an allocation pursuant to this Section 5.05(c) shall be made only if and to the extent that a Partner would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if Section 5.05(b) and this Section 5.05(c) were not in this Agreement.

(d) Nonrecourse Deductions . Nonrecourse Deductions shall be allocated to the Partners in accordance with their respective Total Percentage Interests.

(e) Partner Nonrecourse Deductions . Partner Nonrecourse Deductions for any taxable period shall be allocated to the Partner who bears the economic risk of loss with respect to the liability to which such Partner Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(j).

(f) Creditable Non-U.S. Taxes . Creditable Non-U.S. Taxes for any taxable period attributable to the Partnership, or an entity owned directly or indirectly by the Partnership, shall be allocated to the Partners in proportion to the partners' distributive shares of income (including income allocated pursuant to Section 704(c) of the Code) to which the Creditable Non-U.S. Tax relates (under principles of Treasury Regulations Section 1.904-6). The provisions of this Section 5.05(f) are intended to comply with the provisions of Temporary Treasury Regulations Section 1.704-1T(b)(4)(xi), and shall be interpreted consistently therewith.

(g) Ameliorative Allocations . Any special allocations of income or gain pursuant to Sections 5.05(b) or 5.05(c) hereof shall be taken into account in computing subsequent allocations pursuant to Section 5.04 and this Section 5.05(g), so that the net amount of any items so allocated and all other items allocated to each Partner shall, to the extent possible, be equal to the net amount that would have been allocated to each Partner if such allocations pursuant to Sections 5.05(b) or 5.05(c) had not occurred.

SECTION 5.06. Tax Allocations . For income tax purposes, each item of income, gain, loss and deduction of the Partnership shall be allocated among the Partners in the same manner as the corresponding items of Profits and Losses and specially allocated items are allocated for Capital Account purposes; provided that in the case of any asset the Carrying Value of which differs from its adjusted tax basis for U.S. federal income tax purposes, income, gain, loss and deduction with respect to such asset shall be allocated solely for income tax purposes in accordance with the principles of Sections 704(b) and (c) of the Code (in any manner determined by the General Partner and permitted by the Code and Treasury Regulations) so as to take account of the difference between Carrying Value and adjusted basis of such asset. Notwithstanding the foregoing, the General Partner shall make such allocations for tax purposes as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a partner's interest in the Partnership.

SECTION 5.07. Tax Advances . To the extent the General Partner reasonably believes that the Partnership is required by law to withhold or to make tax payments on behalf of or with respect to any Partner or the Partnership is subjected to tax itself by reason of the status of any Partner (" Tax Advances "), the General Partner may withhold such amounts and make such tax payments as so required. All Tax Advances made on behalf of a Partner shall be repaid by reducing the amount of the current or next succeeding distribution or distributions which would otherwise have been made to such Partner or, if such distributions are not sufficient for that purpose, by so reducing the proceeds of liquidation otherwise payable to such Partner. For all purposes of this Agreement such Partner shall be treated as having received the amount of the distribution that is equal to the Tax Advance. Each Partner hereby agrees to indemnify and hold harmless the Partnership and the other Partners from and against any liability (including, without limitation, any liability for taxes, penalties, additions to tax or interest other than any penalties, additions to tax or interest imposed as a result of the Partnership's failure to withhold or make a tax payment on behalf of such Partner which withholding or payment is required pursuant to applicable Law but only to the extent amounts sufficient to pay such taxes were not timely distributed to the Partner pursuant to Section 4.01(b)) with respect to income attributable to or distributions or other payments to such Partner.

SECTION 5.08. Tax Matters . The General Partner shall be the initial "tax matters partner" within the meaning of Section 6231(a)(7) of the Code (the " Tax Matters Partner "). The Partnership shall file as a partnership for federal, state, provincial and local income tax purposes, except where otherwise required by Law. All elections required or permitted to be made by the Partnership, and all other tax decisions and determinations relating to federal, state, provincial or local tax matters of the Partnership, shall be made by the Tax Matters Partner, in consultation with the Partnership's attorneys and/or accountants. Tax audits, controversies and litigations shall be conducted under the direction of the Tax Matters Partner. The Tax Matters Partner shall keep the other Partners reasonably informed as to any tax actions, examinations or proceedings relating to the Partnership and shall submit to the other Partners, for their review and comment, any settlement or compromise offer with respect to any disputed item of income, gain, loss, deduction or credit of the Partnership. As soon as reasonably practicable after the end of each Fiscal Year, the Partnership shall send to each Partner a copy of U.S. Internal Revenue Service Schedule K-1, and any comparable statements required by applicable U.S. state or local income tax Law as a result of the Partnership's activities or investments, with respect to such Fiscal Year. The Partnership also shall provide the Partners with such other information as may be reasonably requested for purposes of allowing the Partners to prepare and file their own tax returns.

SECTION 5.09. Other Allocation Provisions . Certain of the foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such regulations. Sections 5.03, 5.04 and 5.05 may be amended at any time by the General Partner if necessary, in the opinion of tax counsel to the Partnership, to comply with such regulations or any applicable Law, so long as any such amendment does not materially change the relative economic interests of the Partners.

ARTICLE VI

BOOKS AND RECORDS; REPORTS

SECTION 6.01. Books and Records . (a) At all times during the continuance of the Partnership, the Partnership shall prepare and maintain separate books of account for the Partnership in accordance with GAAP.

(b) Except as limited by Section 6.01(c), each Limited Partner shall have the right to receive, for a purpose reasonably related to such Limited Partner's interest as a Limited Partner in the Partnership, upon reasonable written demand stating the purpose of such demand and at such Limited Partner's own expense:

(i) a copy of the Certificate and this Agreement and all amendments thereto, together with a copy of the executed copies of all powers of attorney pursuant to which the Certificate and this Agreement and all amendments thereto have been executed; and

(ii) promptly after their becoming available, copies of the Partnership's federal, state and local income tax returns and reports, if any, for the three most recent years.

(c) The General Partner may keep confidential from the Limited Partners, for such period of time as the General Partner determines in its sole discretion, (i) any information that the General Partner reasonably believes to be in the nature of trade secrets or (ii) other information the disclosure of which the General Partner believes is not in the best interests of the Partnership, could damage the Partnership or its business or that the Partnership is required by law or by agreement with any third party to keep confidential.

ARTICLE VII

PARTNERSHIP UNITS

SECTION 7.01. Units . Interests in the Partnership shall be represented by Units. The Units initially are comprised of one Class: Class A Units. The General Partner may establish, from time to time in accordance with such procedures as the General Partner shall determine from time to time, other Classes, one or more series of any such Classes, or other Partnership securities with such designations, preferences, rights, powers and duties (which may be senior to existing Classes and series of Units or other Partnership securities), as shall be determined by the General

Partner, including (i) the right to share in Profits and Losses or items thereof; (ii) the right to share in Partnership distributions; (iii) the rights upon dissolution and liquidation of the Partnership; (iv) whether, and the terms and conditions upon which, the Partnership may or shall be required to redeem the Units or other Partnership securities (including sinking fund provisions); (v) whether such Unit or other Partnership security is issued with the privilege of conversion or exchange and, if so, the terms and conditions of such conversion or exchange; (vi) the terms and conditions upon which each Unit or other Partnership security will be issued, evidenced by certificates and assigned or transferred; (vii) the method for determining the Total Percentage Interest as to such Units or other Partnership securities; and (viii) the right, if any, of the holder of each such Unit or other Partnership security to vote on Partnership matters, including matters relating to the relative designations, preferences, rights, powers and duties of such Units or other Partnership securities. Except as expressly provided in this Agreement to the contrary, any reference to "Units" shall include the Class A Units and any other Classes that may be established in accordance with this Agreement. All Units of a particular Class shall have identical rights in all respects as all other Units of such Class, except in each case as otherwise specified in this Agreement.

SECTION 7.02. Register . The register of the Partnership shall be the definitive record of ownership of each Unit and all relevant information with respect to each Partner. Unless the General Partner shall determine otherwise, Units shall be uncertificated and recorded in the books and records of the Partnership.

SECTION 7.03. Registered Partners . The Partnership shall be entitled to recognize the exclusive right of a Person registered on its records as the owner of Units for all purposes and shall not be bound to recognize any equitable or other claim to or interest in Units on the part of any other Person, whether or not it shall have express or other notice thereof, except as otherwise provided by the Act or other applicable Law.

ARTICLE VIII

VESTING; FORFEITURE OF INTERESTS; TRANSFER RESTRICTIONS

SECTION 8.01. Vesting of Initial Unvested Units . (a) Subject to Section 8.02 and except as set forth in Section 8.01(b) or as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, the Initial Unvested Units shall vest and shall thereafter be Vested Units for all purposes of this Agreement as follows:

(i) with respect to each Category 1 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 25% installments on each of the first, second, third and fourth anniversary dates of the consummation of the IPO;

(ii) with respect to each Category 3 Limited Partner and Category 4 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 20% installments on each of the first, second, third, fourth and fifth anniversary dates of the consummation of the IPO; and

(iii) with respect to each Category 5 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 12.5% installments on each of the first, second, third, fourth, fifth, sixth, seventh and eighth anniversary dates of the consummation of the IPO.

(b) Notwithstanding Section 8.01(a), if earlier, the Initial Unvested Units shall vest and shall thereafter be Vested Units for all purposes of this Agreement as follows: (i) upon the Retirement of an Employed Limited Partner, 50% of the Initial Unvested Units owned by such Limited Partner that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement; (ii) upon the death or Disability of an Employed Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement; and (iii) upon the occurrence of a Change in Control, 100% of the Initial Unvested Units that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement.

(c) In addition, the General Partner in its sole discretion may authorize the earlier vesting of all or a portion of the Initial Unvested Units owned by any one or more Limited Partners at any time and from time to time, and in such event, such Initial Unvested Units shall vest and thereafter be Vested Units for all purposes of this Agreement. Any such determination in the General Partner's discretion in respect of Initial Unvested Units shall be final and binding. Such determinations need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise.

(d) Upon the vesting of any Initial Unvested Units in accordance with this Section 8.01, the General Partner shall modify the books and records of the Partnership to reflect such vesting.

SECTION 8.02. Forfeiture of Units Held by Initial Limited Partners . (a) Other than as set forth in Section 8.01(b) and except as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, if a Limited Partner ceases to be an Employed Limited Partner for any reason, such Limited Partner's Unvested Units shall be immediately forfeited without any consideration, and such Limited Partner shall cease to own or have any rights with respect to such Unvested Units; provided , however, that if a Limited Partner ceases to be an Employed Limited Partner after June 30, 2010 in order to become a Government Official, such Limited Partner's Unvested Units shall continue to vest as set forth in Section 8.01 until such Limited Partner ceases to be a Government Official for any reason, at which point such Limited Partner's Unvested Units shall be immediately forfeited without any consideration (unless such Limited Partner becomes an Employed Limited Partner immediately after such Limited Partner ceases to be such a Government Official, in which case such Limited Partner's Unvested Units shall continue to vest as set forth in Section 8.01) and such Limited Partner shall cease to own or have any rights with respect to such Unvested Units. Immediately upon the forfeiture of any Initial Unvested Units, such Unvested Units that have been so forfeited shall be cancelled.

(b) Except as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, (i) if a Limited Partner that is or was at any time an Employed Limited Partner breaches any Restrictive Covenant to which such Limited Partner is subject or (ii) if an Employed Limited Partner is terminated for Cause, the Initial Units held by such Limited Partner or such Limited Partner's Personal Planning Vehicle at that time (whether or not vested) shall be immediately forfeited without any consideration, and such Limited Partner shall cease to own or have any rights with respect to such Initial Units; provided , however, that Initial Units held by a Personal Planning Vehicle of a Category 1 Limited Partner created prior to the date of this Agreement are not subject to forfeiture. Immediately upon the forfeiture of any Initial Units, such Initial Units that have been so forfeited shall be cancelled.

(c) Upon the forfeiture of any Unvested Units in accordance with this Section 8.02, the General Partner shall modify the books and records of the Partnership to reflect such forfeiture.

SECTION 8.03. Limited Partner Transfers . (a) Except as provided in clauses (b), (c), (d) and (f) of this Section 8.03, no Limited Partner or Assignee thereof may Transfer (including by exchanging in an Exchange Transaction) all or any portion of its Units or other interest in the Partnership (or beneficial interest therein) without the prior consent of the General Partner, which consent may be given or withheld, or made subject to such conditions (including, without limitation, the receipt of such legal opinions and other documents that the General Partner may require) as are determined by the General Partner, in each case in the General Partner's sole discretion. Any such determination in the General Partner's discretion in respect of Units shall be final and binding. Such determinations need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise. Any purported Transfer of Units that is not in accordance with, or subsequently violates, this Agreement shall be, to the fullest extent permitted by law, null and void.

(b) Notwithstanding clause (a) above, except as provided in or pursuant to clauses (b), (c), (d), (e) and (f) below and subject to Section 8.04, (i) each Limited Partner other than a Category 2 Limited Partner may exchange in an Exchange Transaction (x) up to 33 1/3% of the Initial Vested Units owned by such Limited Partner on the first anniversary of the consummation of the IPO at any time and from time to time following the first anniversary of the consummation of the IPO; (y) up to 66 2/3% of the Initial Vested Units owned by such Limited Partner on the second anniversary of the consummation of the IPO less any Initial Vested Units Transferred pursuant to clause (i) at any time and from time to time following the second anniversary of the consummation of the IPO; and (z) up to 100% of the Initial Vested Units owned by such Limited Partner at any time and from time to time following the third anniversary of the consummation of the IPO; and (ii) each Category 2 Limited Partner may exchange in an Exchange Transaction (x) up to 33 1/3% of the Initial Vested Units owned by such Limited Partner on December 31, 2008 at any time and from time to time following December 31, 2008; (y) up to 66 2/3% of the Initial Vested Units owned by such Limited Partner on December 31, 2009 less any Initial Vested Units Transferred pursuant to clause (i) at any time and from time to time following December 31, 2009; and (z) up to 100% of the Initial Vested Units owned by such Limited Partner at any time and from time to time following December 31, 2010; provided in each case that any Initial Units owned by a Personal Planning Vehicle of a Limited Partner shall be aggregated with the Initial Units owned by such Limited Partner for purposes of calculating the limitation set forth in this Section 8.03(b); and provided further in each case that Unvested Units may not by Transferred at any time.

(c) Notwithstanding clauses (a) or (b) above, with the prior consent of the General Partner, (i) the Category 1 Limited Partners may make one or more gratuitous Transfers (including by exchanging in an Exchange Transaction) to any Charity at any time and from time to time up to a number of Initial Vested Units owned by such Limited Partners that is equal to the quotient of $250 million divided by the offering price per Common Unit in the IPO for the purpose of making gratuitous transfers to any Charity.

(d) Notwithstanding clauses (a) or (b) above, if earlier: (i) upon the death or Disability of an Employed Limited Partner, such Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; (ii) other than with respect to a Category 1 Limited Partner, following an Employed Limited Partner's termination of employment and after the earlier to occur of (A) one year from the date of termination of employment or (B) the expiration of the longest applicable Restricted Period with respect to such Employed Limited Partner, such Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; (iii) following Mr. Stephen A. Schwarzman's termination of employment, any Category 1 Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; and (iv) upon the occurrence of a Change in Control, any Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; provided that in each case Unvested Units may not by Transferred at any time.

(e) Notwithstanding anything to the contrary herein, other than pursuant to Section 8.03(f), no (i) Limited Partner that is or was a senior managing director of any of the Blackstone Holdings Partnerships or their subsidiaries nor any Personal Planning Vehicle of such Limited Partner or (ii) any Category 6 Limited Partner may effect an Exchange Transaction and/or Transfer any Common Units at any time prior to December 31, 2009 other than pursuant to transactions or programs approved by the General Partner in its sole discretion. Any such determinations by the General Partner need not be uniform and may be made selectively among any such Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise.

(f) Notwithstanding clauses (a), (b), (c), (d) and (e) above, a Personal Planning Vehicle of a Limited Partner may Transfer Class A Units (i) to the donor thereof or to the spouse of the donor thereof; (ii) if the Personal Planning Vehicle is a grantor retained annuity trust and the trustee(s) of such grantor retained annuity trust is obligated to make one or more distributions to the donor of the grantor retained annuity trust, the estate of the donor of the grantor retained annuity trust, the spouse of the donor of the grantor retained annuity trust or the estate of the spouse of the donor of the grantor retained annuity trust, to any such Persons; or (iii) upon the death of such Limited Partner, to the spouse of such Limited Partner or a trust for which a deduction under Section 2056 or 2056A (or any successor provisions) of the Code may be sought.

SECTION 8.04. Minimum Retained Ownership Requirement . (a) Other than the Category 1 Limited Partners, the Category 2 Limited Partners and the Category 6 Limited Partner

and unless otherwise permitted by the General Partner in its sole discretion, each Limited Partner that is or was at any time an Employed Limited Partner other than a Personal Planning Vehicle shall, until the first anniversary of such Employed Limited Partner's termination of employment, continue to hold (and may not Transfer) at least 25% of all Initial Vested Units received collectively by such Employed Limited Partner and by any Personal Planning Vehicle of such Employed Limited Partner (the " Minimum Retained Ownership Requirement "); and provided that upon the Retirement of an Employed Limited Partner, such Limited Partner shall be subject to a Minimum Retained Ownership Requirement of 12.5% instead of 25%. For purposes of this paragraph (a), (i) Units held by a Personal Planning Vehicle of a Limited Partner (other than the portion of the Units received by a Personal Planning Vehicle created prior to the date of this Agreement identified in the books and records of the Partnership as "Non-Minimum Retained Ownership Requirement Units") shall be deemed held by such Limited Partner for purposes of calculating the number of Initial Vested Units received by such Limited Partner and (ii) any Units held by a Personal Planning Vehicle of a Limited Partner shall not be deemed to be held by such Limited Partner for purposes of calculating whether the relevant percentage of Initial Vested Units held satisfies the Minimum Retained Ownership Requirement set forth in this Section 8.04(a).

(b) Unless otherwise approved by the General Partner in its sole discretion, each Category 1 Limited Partner other than a Personal Planning Vehicle shall, until Mr. Stephen A. Schwarzman's termination of employment, continue to hold (and may not Transfer) the lesser of (i) at least 25% of all Initial Vested Units received collectively by the Category 1 Limited Partners and (ii) a number of Initial Units that is equal to the quotient of $1.5 billion divided by the Last Reported Sale Price per Common Unit from time to time. For purposes of this paragraph (b), (i) Units held by a Personal Planning Vehicle of a Category 1 Limited Partner (other than the portion of the Units received by a Personal Planning Vehicle created prior to the date of this Agreement identified in the books and records of the Partnership as "Non-Minimum Retained Ownership Requirement Units") shall be deemed held by such Category 1 Limited Partner for purposes of calculating the number of Initial Vested Units received by such Category 1 Limited Partner and (ii) any Units held by a Personal Planning Vehicle of a Category 1 Limited Partner shall not be deemed to be held by such Category 1 Limited Partner for purposes of calculating whether the relevant percentage of Initial Vested Units held satisfies the Minimum Retained Ownership Requirement set forth in this Section 8.04(b).

SECTION 8.05. Mandatory Exchanges . The General Partner may in its sole discretion at any time and from time to time, without the consent of any Limited Partner, require any Limited Partner other than an Employed Limited Partner to Transfer in an Exchange Transaction all Units held by such Limited Partner. Any such determinations by the General Partner need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated. In addition, the General Partner may, with the consent of Partners whose Vested Percentage Interests exceed 75% of the Vested Percentage Interests of all Partners in the aggregate, require all Limited Partners to Transfer in an Exchange Transaction all Units held by them.

SECTION 8.06. Encumbrances . No Limited Partner or Assignee may create an Encumbrance with respect to all or any portion of its Units (or any beneficial interest therein) other than Encumbrances that run in favor of the Limited Partner unless the General Partner consents in writing thereto, which consent may be given or withheld, or made subject to such conditions as are

determined by the General Partner, in the General Partner's sole discretion. Consent of the General Partner shall be withheld until the holder of the Encumbrance acknowledges the terms and conditions of this Agreement. Any purported Encumbrance that is not in accordance with this Agreement shall be, to the fullest extent permitted by law, null and void.

SECTION 8.07. Further Restrictions . Notwithstanding any contrary provision in this Agreement, in no event may any Transfer of a Unit be made by any Limited Partner or Assignee if:

(a) such Transfer is made to any Person who lacks the legal right, power or capacity to own such Unit;

(b) such Transfer would require the registration of such transferred Unit or of any Class of Unit pursuant to any applicable United States federal or state securities laws (including, without limitation, the Securities Act or the Exchange Act) or other non-U.S securities laws (including Canadian provincial or territorial securities laws) or would constitute a non-exempt distribution pursuant to applicable provincial or state securities laws;

(c) such Transfer would cause (i) all or any portion of the assets of the Partnership to (A) constitute "plan assets" (under ERISA, the Code or any applicable Similar Law) of any existing or contemplated Limited Partner, or (B) be subject to the provisions of ERISA, Section 4975 of the Code or any applicable Similar Law, or (ii) the General Partner to become a fiduciary with respect to any existing or contemplated Limited Partner, pursuant to ERISA, any applicable Similar Law, or otherwise;

(d) to the extent requested by the General Partner, the Partnership does not receive such legal and/or tax opinions and written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as an Assignee) that are in a form satisfactory to the General Partner, as determined in the General Partner's sole discretion.

SECTION 8.08. Rights of Assignees . Subject to Section 8.07, the transferee of any permitted Transfer pursuant to this Article VIII will be an assignee only (" Assignee "), and only will receive, to the extent transferred, the distributions and allocations of income, gain, loss, deduction, credit or similar item to which the Partner which transferred its Units would be entitled, and such Assignee will not be entitled or enabled to exercise any other rights or powers of a Partner, such other rights, and all obligations relating to, or in connection with, such Interest remaining with the transferring Partner. The transferring Partner will remain a Partner even if it has transferred all of its Units to one or more Assignees until such time as the Assignee(s) is admitted to the Partnership as a Partner pursuant to Section 8.10.

SECTION 8.09. Admissions, Withdrawals and Removals . (a) No Person may be admitted to the Partnership as an additional General Partner or substitute General Partner without the prior written consent or ratification of Partners whose Vested Percentage Interests exceed 50% of the Vested Percentage Interests of all Partners in the aggregate. A General Partner will not be entitled to Transfer all of its Units or to withdraw from being a General Partner of the Partnership unless another General Partner shall have been admitted hereunder (and not have previously been removed or withdrawn).

(b) No Limited Partner will be removed or entitled to withdraw from being a Partner of the Partnership except in accordance with Section 8.11 hereof.

(c) Except as otherwise provided in Article IX or the Act, no admission, substitution, withdrawal or removal of a Partner will cause the dissolution of the Partnership. To the fullest extent permitted by law, any purported admission, withdrawal or removal that is not in accordance with this Agreement shall be null and void.

SECTION 8.10. Admission of Assignees as Substitute Limited Partners . An Assignee will become a substitute Limited Partner only if and when each of the following conditions is satisfied:

(a) the General Partner consents in writing to such admission, which consent may be given or withheld, or made subject to such conditions as are determined by the General Partner, in each case in the General Partner's sole discretion;

(b) if required by the General Partner, the General Partner receives written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as a substitute Limited Partner) that are in a form satisfactory to the General Partner (as determined in its sole discretion);

(c) if required by the General Partner, the General Partner receives an opinion of counsel satisfactory to the General Partner to the effect that such Transfer is in compliance with this Agreement and all applicable Law; and

(d) if required by the General Partner, the parties to the Transfer, or any one of them, pays all of the Partnership's reasonable expenses connected with such Transfer (including, but not limited to, the reasonable legal and accounting fees of the Partnership).

SECTION 8.11. Withdrawal and Removal of Limited Partners . If a Limited Partner ceases to hold any Units, then such Limited Partner shall withdraw from the Partnership and shall cease to be a Limited Partner and to have the power to exercise any rights or powers of a Limited Partner.

ARTICLE IX

DISSOLUTION, LIQUIDATION AND TERMINATION

SECTION 9.01. No Dissolution . Except as required by the Act, Partnership shall not be dissolved by the admission of additional Partners or withdrawal of Partners in accordance with the terms of this Agreement. The Partnership may be dissolved, liquidated wound up and terminated only pursuant to the provisions of this Article IX, and the Partners hereby irrevocably waive any and all other rights they may have to cause a dissolution of the Partnership or a sale or partition of any or all of the Partnership assets.

SECTION 9.02. Events Causing Dissolution . The Partnership shall be dissolved and its affairs shall be wound up upon the occurrence of any of the following events (each, a " Dissolution Event "):

(a) the entry of a decree of judicial dissolution of the Partnership under Section 17-802 of the Act upon the finding by a court of competent jurisdiction that the General Partner (i) is permanently incapable of performing its part of this Agreement, (ii) has been guilty of conduct that is calculated to affect prejudicially the carrying on of the business of the Partnership, (iii) willfully or persistently commits a breach of this Agreement or (iv) conducts itself in a manner relating to the Partnership or its business such that it is not reasonably practicable for the other Partners to carry on the business of the Partnership with the General Partner;

(b) any event which makes it unlawful for the business of the Partnership to be carried on by the Partners;

(c) the written consent of all Partners;

(d) any other event not inconsistent with any provision hereof causing a dissolution of the Partnership under the Act;

(e) the Incapacity or removal of the General Partner or the occurrence of a Disabling Event with respect to the General Partner; provided that the Partnership will not be dissolved or required to be wound up in connection with any of the events specified in this Section 9.02(e) if: (i) at the time of the occurrence of such event there is at least one other general partner of the Partnership who is hereby authorized to, and elects to, carry on the business of the Partnership; or (ii) all remaining Limited Partners consent to or ratify the continuation of the business of the Partnership and the appointment of another general partner of the Partnership, effective as of the event that caused the General Partner to cease to be a general partner of the Partnership, within 120 days following the occurrence of any such event, which consent shall be deemed (and if requested each Limited Partner shall provide a written consent or ratification) to have been given for all Limited Partners if the holders of more than 50% of the Vested Units then outstanding agree in writing to so continue the business of the Partnership.

SECTION 9.03. Distribution upon Dissolution . Upon dissolution, the Partnership shall not be terminated and shall continue until the winding up of the affairs of the Partnership is completed. Upon the winding up of the Partnership, the General Partner, or any other Person designated by the General Partner (the " Liquidation Agent "), shall take full account of the assets and liabilities of the Partnership and shall, unless the General Partner determines otherwise, liquidate the assets of the Partnership as promptly as is consistent with obtaining the fair value thereof. The proceeds of any liquidation shall be applied and distributed in the following order:

(a) First, to the satisfaction of debts and liabilities of the Partnership (including satisfaction of all indebtedness to Partners and/or their Affiliates to the extent otherwise permitted by law) including the expenses of liquidation, and including the establishment of any reserve which the Liquidation Agent shall deem reasonably necessary for any

contingent, conditional or unmatured contractual liabilities or obligations of the Partnership (" Contingencies "). Any such reserve may be paid over by the Liquidation Agent to any attorney-at-law, or acceptable party, as escrow agent, to be held for disbursement in payment of any Contingencies and, at the expiration of such period as shall be deemed advisable by the Liquidation Agent for distribution of the balance in the manner hereinafter provided in this Section 9.03; and

(b) The balance, if any, to the Partners, *pro rata* to each of the Partners in accordance with their Total Percentage Interests.

SECTION 9.04. Time for Liquidation . A reasonable amount of time shall be allowed for the orderly liquidation of the assets of the Partnership and the discharge of liabilities to creditors so as to enable the Liquidation Agent to minimize the losses attendant upon such liquidation.

SECTION 9.05. Termination . The Partnership shall terminate when all of the assets of the Partnership, after payment of or due provision for all debts, liabilities and obligations of the Partnership, shall have been distributed to the holders of Units in the manner provided for in this Article IX, and the Certificate shall have been cancelled in the manner required by the Act.

SECTION 9.06. Claims of the Partners . The Partners shall look solely to the Partnership's assets for the return of their Capital Contributions, and if the assets of the Partnership remaining after payment of or due provision for all debts, liabilities and obligations of the Partnership are insufficient to return such Capital Contributions, the Partners shall have no recourse against the Partnership or any other Partner or any other Person. No Partner with a negative balance in such Partner's Capital Account shall have any obligation to the Partnership or to the other Partners or to any creditor or other Person to restore such negative balance during the existence of the Partnership, upon dissolution or termination of the Partnership or otherwise, except to the extent required by the Act.

SECTION 9.07. Survival of Certain Provisions . Notwithstanding anything to the contrary in this Agreement, the provisions of Section 10.02 and Section 11.09 shall survive the termination of the Partnership.

ARTICLE X

LIABILITY AND INDEMNIFICATION

SECTION 10.01. Liability of Partners .

(a) No Limited Partner shall be liable for any debt, obligation or liability of the Partnership or of any other Partner or have any obligation to restore any deficit balance in its Capital Account solely by reason of being a Partner of the Partnership, except to the extent required by the Act.

(b) This Agreement is not intended to, and does not, create or impose any fiduciary duty on any of the Partners (including without limitation, the General Partner) hereto or on their respective Affiliates. Further, the Partners hereby waive any and all fiduciary duties that, absent

such waiver, may exist at or be implied by Law or in equity, and in doing so, recognize, acknowledge and agree that their duties and obligations to one another and to the Partnership are only as expressly set forth in this Agreement and those required by the Act.

(c) To the extent that, at law or in equity, any Partner (including without limitation, the General Partner) has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or to another Partner, the Partners (including without limitation, the General Partner) acting under this Agreement will not be liable to the Partnership or to any such other Partner for their good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict or eliminate the duties and liabilities relating thereto of any Partner (including without limitation, the General Partner) otherwise existing at law or in equity, are agreed by the Partners to replace to that extent such other duties and liabilities of the Partners relating thereto (including without limitation, the General Partner).

(d) The General Partner may consult with legal counsel, accountants and financial or other advisors and any act or omission suffered or taken by the General Partner on behalf of the Partnership or in furtherance of the interests of the Partnership in good faith in reliance upon and in accordance with the advice of such counsel, accountants or financial or other advisors will be full justification for any such act or omission, and the General Partner will be fully protected in so acting or omitting to act so long as such counsel or accountants or financial or other advisors were selected with reasonable care.

(e) Notwithstanding any other provision of this Agreement or otherwise applicable provision of law or equity, whenever in this Agreement the General Partner is permitted or required to make a decision (i) in its "sole discretion" or "discretion" or under a grant of similar authority or latitude, such General Partner shall be entitled to consider only such interests and factors as it desires, including its own interests, and shall, to the fullest extent permitted by applicable Law, have no duty or obligation to give any consideration to any interest of or factors affecting the Partnership or the Limited Partners, or (ii) in its "good faith" or under another expressed standard, such General Partner shall act under such express standard and shall not be subject to any other or different standards.

SECTION 10.02. Indemnification .

(a) Indemnification . To the fullest extent permitted by law, the Partnership shall indemnify any person (and such person's heirs, executors or administrators) who was or is made or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding (brought in the right of the Partnership or otherwise), whether civil, criminal, administrative or investigative, and whether formal or informal, including appeals, by reason of the fact that such person, or a person for whom such person was the legal representative, is or was a Partner (including without limitation, the General Partner) or a director, officer or agent of a Partner (including without limitation, the General Partner) or the Partnership or, while a director, officer or agent of a Partner (including without limitation, the General Partner) or the Partnership, is or was serving at the request of the Partnership as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, limited liability company, nonprofit entity or other enterprise, for and against all loss and liability suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement reasonably

incurred by such person or such heirs, executors or administrators in connection with such action, suit or proceeding, including appeals; provided that such person shall not be entitled to indemnification hereunder only to the extent such person's conduct constituted fraud, bad faith or willful misconduct. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.02(c), the Partnership shall be required to indemnify a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the General Partner.

(b) Advancement of Expenses . To the fullest extent permitted by law, the Partnership shall promptly pay expenses (including attorneys' fees) incurred by any person described in Section 10.02(a) in appearing at, participating in or defending any action, suit or proceeding in advance of the final disposition of such action, suit or proceeding, including appeals, upon presentation of an undertaking on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified under this Section 10.02 or otherwise. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.02(c), the Partnership shall be required to pay expenses of a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the General Partner.

(c) Unpaid Claims . If a claim for indemnification (following the final disposition of such action, suit or proceeding) or advancement of expenses under this Section 10.02 is not paid in full within thirty (30) days after a written claim therefor by any person described in Section 10.02(a) has been received by the Partnership, such person may file proceedings to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Partnership shall have the burden of proving that such person is not entitled to the requested indemnification or advancement of expenses under applicable Law.

(d) Insurance . To the fullest extent permitted by law, the Partnership may purchase and maintain insurance on behalf of any person described in Section 10.02(a) against any liability asserted against such person, whether or not the Partnership would have the power to indemnify such person against such liability under the provisions of this Section 10.02 or otherwise.

(e) Non-Exclusivity of Rights . The provisions of this Section 10.02 shall be applicable to all actions, claims, suits or proceedings made or commenced after the date of this Agreement, whether arising from acts or omissions to act occurring before or after its adoption. The provisions of this Section 10.02 shall be deemed to be a contract between the Partnership and each person entitled to indemnification under this Section 10.02 (or legal representative thereof) who serves in such capacity at any time while this Section 10.02 and the relevant provisions of applicable Law, if any, are in effect, and any amendment, modification or repeal hereof shall not affect any rights or obligations then existing with respect to any state of facts or any action, suit or proceeding then or theretofore existing, or any action, suit or proceeding thereafter brought or threatened based in whole or in part on any such state of facts. If any provision of this Section 10.02 shall be found to be invalid or limited in application by reason of any law or regulation, it shall not affect the validity of the remaining provisions hereof. The rights of indemnification

provided in this Section 10.02 shall neither be exclusive of, nor be deemed in limitation of, any rights to which any person may otherwise be or become entitled or permitted by contract, this Partnership Agreement or as a matter of law, both as to actions in such person's official capacity and actions in any other capacity, it being the policy of the Partnership that indemnification of any person whom the Partnership is obligated to indemnify pursuant to Section 10.02(a) shall be made to the fullest extent permitted by law.

For purposes of this Section 10.02, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Partnership" shall include any service as a director, officer, employee or agent of the Partnership which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries.

This Section 10.02 shall not limit the right of the Partnership, to the extent and in the manner permitted by law, to indemnify and to advance expenses to, and purchase and maintain insurance on behalf of, persons other than persons described in Section 10.02(a).

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Severability . If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

SECTION 11.02. Notices . All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax, by electronic mail (delivery receipt requested) or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 11.02):

(a) If to the Partnership, to:

Blackstone Holdings I L.P.
c/o Blackstone Holdings I/II GP Inc.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(b) If to any Partner, to:

c/o Blackstone Holdings I/II GP Inc.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(c) If to the General Partner, to:

Blackstone Holdings I/II GP Inc.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

SECTION 11.03. Cumulative Remedies . The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by Law.

SECTION 11.04. Binding Effect . This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

SECTION 11.05. Interpretation . Throughout this Agreement, nouns, pronouns and verbs shall be construed as masculine, feminine, neuter, singular or plural, whichever shall be applicable. Unless otherwise specified, all references herein to “Articles,” “Sections” and paragraphs shall refer to corresponding provisions of this Agreement.

SECTION 11.06. Counterparts . This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 11.06.

SECTION 11.07. Further Assurances . Each Limited Partner shall perform all other acts and execute and deliver all other documents as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

SECTION 11.08. Entire Agreement . This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

SECTION 11.09. Governing Law . This Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware.

SECTION 11.10. Submission to Jurisdiction; Waiver of Jury Trial .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the General Partner may bring, or may cause the Partnership to bring, on behalf of the General Partner or the Partnership or on behalf of one or more Partners, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Partner (i) expressly consents to the application of paragraph (c) of this Section 11.10 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the General Partner as such Partner's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Partner of any such service of process, shall be deemed in every respect effective service of process upon the Partner in any such action or proceeding.

(c) (i) EACH PARTNER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 11.10, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable Law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 11.10 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 11.10 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq.) (the " Delaware Arbitration Act "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 11.10, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable Law, such invalidity shall not invalidate all of this Section 11.10. In that case, this Section 11.10 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable Law, and, in the event such term or provision cannot be so limited, this Section 11.10 shall be construed to omit such invalid or unenforceable provision.

SECTION 11.11. Expenses . Except as otherwise specified in this Agreement, the Partnership shall be responsible for all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with its operation.

SECTION 11.12. Amendments and Waivers . (a) This Agreement (including the Annexes hereto) may be amended, supplemented, waived or modified by the written consent of the General Partner; provided that any amendment that would have a material adverse effect on the rights or preferences of any Class of Units in relation to other Classes of Units must be approved by the holders of not less than a majority of the Vested Percentage Interests of the Class affected; provided further , that the General Partner may, without the written consent of any Limited Partner or any other Person, amend, supplement, waive or modify any provision of this Agreement and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect: (i) any amendment, supplement, waiver or modification that the General Partner determines to be necessary or appropriate in connection with the creation, authorization or issuance of any class or series of equity interest in the Partnership; (ii) the admission, substitution, withdrawal or removal of Partners in accordance with this Agreement; (iii) a change in the name of the Partnership, the location of the principal place of business of the Partnership, the registered agent of the Partnership or the registered office of the Partnership; (iv) any amendment, supplement, waiver or modification that the General Partner determines in its sole discretion to be necessary or appropriate to address changes in U.S. federal income tax regulations, legislation or interpretation; (v) a change in the Fiscal Year or taxable year of the Partnership and any other changes that the General Partner determines to be necessary or appropriate as a result of a change in the Fiscal Year or taxable year of the Partnership including a change in the dates on which distributions are to be made by the Partnership.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Law.

(c) The General Partner may, in its sole discretion, unilaterally amend this Agreement on or before the effective date of the final regulations to provide for (i) the election of a safe harbor under Proposed Treasury Regulation Section 1.83-3(l) (or any similar provision) under

which the fair market value of a partnership interest that is transferred is treated as being equal to the liquidation value of that interest, (ii) an agreement by the Partnership and each of its Partners to comply with all of the requirements set forth in such regulations and Notice 2005-43 (and any other guidance provided by the Internal Revenue Service with respect to such election) with respect to all partnership interests transferred in connection with the performance of services while the election remains effective, (iii) the allocation of items of income, gains, deductions and losses required by the final regulations similar to Proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(b) and (c), and (iv) any other related amendments.

(d) Except as may be otherwise required by law in connection with the winding-up, liquidation, or dissolution of the Partnership, each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for judicial accounting or for partition of any of the Partnership's property.

SECTION 11.13. No Third Party Beneficiaries . This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their permitted assigns and successors and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement (other than pursuant to Section 10.02 hereof).

SECTION 11.14. Headings . The headings and subheadings in this Agreement are included for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

SECTION 11.15. Construction . Each party hereto acknowledges and agrees it has had the opportunity to draft, review and edit the language of this Agreement and that it is the intent of the parties hereto that no presumption for or against any party arising out of drafting all or any part of this Agreement will be applied in any dispute relating to, in connection with or involving this Agreement. Accordingly, the parties hereby waive to the fullest extent permitted by law the benefit of any rule of Law or any legal decision that would require that in cases of uncertainty, the language of a contract should be interpreted most strongly against the party who drafted such language.

SECTION 11.16. Power of Attorney . Each Limited Partner, by its execution hereof, hereby irrevocably makes, constitutes and appoints the General Partner as its true and lawful agent and attorney in fact, with full power of substitution and full power and authority in its name, place and stead, to make, execute, sign, acknowledge, swear to, record and file (a) this Agreement and any amendment to this Agreement that has been adopted as herein provided; (b) the original certificate of limited partnership of the Partnership and all amendments thereto required or permitted by law or the provisions of this Agreement; (c) all certificates and other instruments (including consents and ratifications which the Limited Partners have agreed to provide upon a matter receiving the agreed support of Limited Partners) deemed advisable by the General Partner to carry out the provisions of this Agreement (including the provisions of Section 8.05) and Law or to permit the Partnership to become or to continue as a limited partnership or partnership wherein the Limited Partners have limited liability in each jurisdiction where the Partnership may be doing business; (d) all instruments that the General Partner deems appropriate to reflect a change or modification of this Agreement or the Partnership in accordance with this Agreement, including,

without limitation, the admission of additional Limited Partners or substituted Limited Partners pursuant to the provisions of this Agreement; (e) all conveyances and other instruments or papers deemed advisable by the General Partner to effect the liquidation and termination of the Partnership; and (f) all fictitious or assumed name certificates required or permitted (in light of the Partnership's activities) to be filed on behalf of the Partnership.

SECTION 11.17. Letter Agreements; Schedules . The General Partner may, or may cause the Partnership to, without the approval of any Limited Partner or other Person, enter into separate letter agreements with individual Limited Partners with respect to any matter, in each case on terms and conditions not inconsistent with this Agreement, which have the effect of establishing rights under, or supplementing the terms of, this Agreement. The General Partner may from time to time execute and deliver to the Limited Partners schedules which set forth information contained in the books and records of the Partnership and any other matters deemed appropriate by the General Partner. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

SECTION 11.18. Partnership Status . The parties intend to treat the Partnership as a partnership for U.S. federal income tax purposes.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement or have caused this Agreement to be duly executed by their respective authorized officers, in each case as of the date first above stated.

BLACKSTONE HOLDINGS I/II GP INC.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

AIG BG Holdings Inc.

By: /s/ Win J. Neuger
Name: Win J. Neuger
Title: President

LIMITED PARTNERS

All Limited Partners listed on Schedule I attached hereto, pursuant to the powers of executed in favor of, and granted and delivered to Stephen A. Schwarzman pursuant to Section 8.9 of that certain Contribution and Sale Agreement, dated as of the date hereof, by and among the Partnership, Blackstone Holdings I/II GP Inc., Blackstone Holdings III GP L.L.C., Blackstone Holdings IV GP L.P., Blackstone Holdings V GP L.P., Blackstone Holdings I/II Limited Partner Inc., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P., and the other parties thereto.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Attorney-in-fact

Exhibit 10.2

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

BLACKSTONE HOLDINGS II L.P.

Dated as of June 18, 2007

THE PARTNERSHIP UNITS OF BLACKSTONE HOLDINGS II L.P. HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, THE SECURITIES LAWS OF ANY STATE, PROVINCE OR ANY OTHER APPLICABLE SECURITIES LAWS AND ARE BEING SOLD IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH UNITS MUST BE ACQUIRED FOR INVESTMENT ONLY AND MAY NOT BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED OR TRANSFERRED AT ANY TIME EXCEPT IN COMPLIANCE WITH (I) THE SECURITIES ACT, ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR PROVINCE, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT. THE UNITS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS LIMITED PARTNERSHIP AGREEMENT. THEREFORE, PURCHASERS AND OTHER TRANSFEREES OF SUCH UNITS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT OR ACQUISITION FOR AN INDEFINITE PERIOD OF TIME.

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AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

BLACKSTONE HOLDINGS II L.P.

This AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT (this " Agreement ") of Blackstone Holdings II L.P. (the " Partnership ") is made as of the 18th day of June, 2007, by and among Blackstone Holdings I/II GP Inc., a corporation formed under the laws of the State of Delaware, as general partner, and the Limited Partners (as defined herein) of the Partnership.

WHEREAS, the Partnership was formed as a limited partnership pursuant to the Act, by the filing of a Certificate of Limited Partnership (the " Certificate ") with the Office of the Secretary of State of the State of Delaware and the execution of the Limited Partnership Agreement of the Partnership dated as of May 18, 2007 (the " Original Agreement "); and

WHEREAS, the parties hereto desire to enter into this Amended and Restated Limited Partnership Agreement of the Partnership and to permit the admission of the Limited Partners to the Partnership.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein made and intending to be legally bound hereby, the parties hereto agree to amend and restate the Original Agreement in its entirety to read as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions . Capitalized terms used herein without definition have the following meanings (such meanings being equally applicable to both the singular and plural form of the terms defined):

" Act " means, the Delaware Revised Uniform Limited Partnership Act, 6 Del. C. Section 17-101, et seq., as it may be amended from time to time.

" Additional Credit Amount " has the meaning set forth in Section 4.01(b)(ii).

" Adjusted Capital Account Balance " means, with respect to each Partner, the balance in such Partner's Capital Account adjusted (i) by taking into account the adjustments, allocations and distributions described in U.S. Treasury Regulations Sections 1.704-1(b)(2)(ii)(c)(4), (5) and (6); and (ii) by adding to such balance such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5), any amounts such Partner is obligated to restore pursuant to any provision of this Agreement or by applicable Law. The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

" Affiliate " means, with respect to a specified Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such specified Person.

" Agreement " has the meaning set forth in the preamble of this Agreement.

" Amended Tax Amount " has the meaning set forth in Section 4.01(b)(ii).

" Assignee " has the meaning set forth in Section 8.08.

" Assumed Tax Rate " means the highest effective marginal combined U.S. federal, state and local income tax rate for a Fiscal Year prescribed for an individual or corporate resident in New York, New York (taking into account (a) the nondeductiblity of expenses subject to the limitation described in Section 67(a) of the Code and (b) the character (e.g., long-term or short-term capital gain or ordinary or exempt income) of the applicable income, but not taking into account the deductibility of state and local income taxes for U.S. federal income tax purposes). For the avoidance of doubt, the Assumed Tax Rate will be the same for all Partners.

" Available Cash " means, with respect to any fiscal period, the amount of cash on hand which the General Partner, in its reasonable discretion, deems available for distribution to the Partners, taking into account all debts, liabilities and obligations of the Partnership then due and amounts which the General Partner, in its reasonable discretion, deems necessary to expend or retain for working capital or to place into reserves for customary and usual claims with respect to the Partnership's operations.

" Blackstone Holdings Partnerships " means each of the Partnership, Blackstone Holdings I L.P., a Delaware limited partnership, Blackstone Holdings III L.P., a Delaware limited partnership, Blackstone Holdings IV L.P., a Québec société en commandite, and Blackstone Holdings V L.P., a Québec société en commandite.

" Capital Account " means the separate capital account maintained for each Partner in accordance with Section 5.03 hereof.

" Capital Contribution " means, with respect to any Partner, the aggregate amount of money contributed to the Partnership and the Carrying Value of any property (other than money), net of any liabilities assumed by the Partnership upon contribution or to which such property is subject, contributed to the Partnership pursuant to Article V.

" Carrying Value " means, with respect to any Partnership asset, the asset's adjusted basis for U.S. federal income tax purposes, except that the initial carrying value of assets contributed to the Partnership shall be their respective gross fair market values on the date of contribution as determined by the General Partner, and the Carrying Values of all Partnership assets shall be adjusted to equal their respective fair market values, in accordance with the rules set forth in United States Treasury Regulation Section 1.704-1(b)(2)(iv)(f), except as otherwise provided herein, as of: (a) the date of the acquisition of any additional Partnership Interest by any new or existing Partner in exchange for more than a de minimis Capital Contribution; (b) the date of the distribution of more than a de minimis

amount of Partnership assets to a Partner; (c) the date a Partnership Interest is relinquished to the Partnership; or (d) any other date specified in the United States Treasury Regulations; provided , however, that adjustments pursuant to clauses (a), (b) (c) and (d) above shall be made only if such adjustments are deemed necessary or appropriate by the General Partner to reflect the relative economic interests of the Partners. The Carrying Value of any Partnership asset distributed to any Partner shall be adjusted immediately before such distribution to equal its fair market value. In the case of any asset that has a Carrying Value that differs from its adjusted tax basis, Carrying Value shall be adjusted by the amount of depreciation calculated for purposes of the definition of "Profits (Losses)" rather than the amount of depreciation determined for U.S. federal income tax purposes, and depreciation shall be calculated by reference to Carrying Value rather than tax basis once Carrying Value differs from tax basis.

" Category 1 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 1 Limited Partner.

" Category 2 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 2 Limited Partner.

" Category 3 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 3 Limited Partner.

" Category 4 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 4 Limited Partner.

" Category 5 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 5 Limited Partner.

" Category 6 Limited Partner " means the Limited Partner identified in the books and records of the Partnership as a Category 6 Limited Partner.

" Cause " means the occurrence or existence of any of the following as determined fairly, reasonably, on an informed basis and in good faith by the General Partner: (i) (w) any breach by an Employed Limited Partner of any provision of this Agreement or the Non-Competition Agreement attached hereto, (x) any material breach of any rules or regulations applicable to senior managing directors or employees, as applicable, of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, (y) an Employed Limited Partner's deliberate failure to perform his or her duties to the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, or (z) an Employed Limited Partner's committing to or engaging in any conduct or behavior that is or may be harmful to the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities in any material way (provided that, in the case of any of the foregoing clauses (w), (x), (y) and (z), the General Partner has given the Employed Limited Partner written notice (a " Notice of Breach ") within fifteen days after the General Partner becomes aware of such action and such Employed Limited Partner fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt by the Employed Limited Partner of such Notice of Breach from the General Partner (or such longer period, not to exceed an additional

fifteen days, as shall be reasonably required for such cure, provided , that such Employed Limited Partner is diligently pursuing such cure), (iii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, or (iv) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a U.S. federal or state or comparable non-U.S. regulatory body or by a self-regulatory body having authority with respect to U.S. federal or state or comparable non-U.S. securities laws, rules or regulations of the securities industry, that such Employed Limited Partner individually has violated any U.S. federal or state or comparable non-U.S. securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Employed Limited Partner's ability to function as a senior managing director or employee, as applicable, of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, taking into account the services required of Employed Limited Partner and the nature of the business of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities or (B) the business of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities.

" Certificate " has the meaning set forth in the preamble of this Agreement.

" Change of Control " means the occurrence of any Person, other than a Person approved by the current Issuer General Partner, becoming the general partner of the Issuer.

" Charity " means any organization that is organized and operated for a purpose described in Section 170(c) of the Code (determined without reference to Code Section 170(c)(2)(A)) and described in Code Sections 2055(a) and 2522.

" Class " means the classes of Units into which the interests in the Partnership may be classified or divided from time to time pursuant to the provisions of this Agreement.

" Class A Units " means the Units of partnership interest in the Partnership designated as the "Class A Units" herein and having the rights pertaining thereto as are set forth in this Agreement.

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

" Common Units " means common units representing limited partner interests of the Issuer.

" Contingencies " has the meaning set forth in Section 9.03(b).

" Control " (including the terms " Controlled by " and " under common Control with ") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise, including, without limitation, the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body governing the affairs of such Person.

" Credit Amount " has the meaning set forth in Section 4.01(b)(ii) of this Agreement.

" Creditable Non-U.S. Tax " means a non-U.S. tax paid or accrued for United States federal income tax purposes by the Partnership, in either case to the extent that such tax is eligible for credit under Section 901(a) of the Code. A non-U.S. tax is a Creditable Non-U.S. Tax for these purposes without regard to whether a partner receiving an allocation of such non-U.S. tax elects to claim a credit for such amount. This definition is intended to be consistent with the definition of "Creditable Non-U.S. Tax" in Temporary Treasury Regulations Section 1.704-1T(b)(4)(xi)(*b*), and shall be interpreted consistently therewith.

" Delaware Arbitration Act " has the meaning set forth in Section 11.10(d) of this Agreement.

" Disability " means, as to any Person, such Person's inability to perform in all material respects his or her duties and responsibilities to the General Partner, or any of its Affiliates, by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the General Partner may reasonably determine in good faith.

" Disabling Event " means the General Partner ceasing to be the general partner of the Partnership pursuant to Section 17-402 of the Act.

" Dissolution Event " has the meaning set forth in Section 9.02 of this Agreement.

" Employed Limited Partner " means any Limited Partner that is employed by or providing services to the Issuer General Partner, the Issuer, the General Partner, the Partnership or any of its subsidiaries at the time in question, and any Personal Planning Vehicle of such Limited Partner.

" Encumbrance " means any mortgage, claim, lien, encumbrance, conditional sales or other title retention agreement, right of first refusal, preemptive right, pledge, option, charge, security interest or other similar interest, easement, judgment or imperfection of title of any nature whatsoever.

" ERISA " means The Employee Retirement Income Security Act of 1974, as amended.

" Exchange Act " means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

" Exchange Agreement " means the exchange agreement dated as of or about the date hereof among the Issuer, the Blackstone Holdings Partnerships and the limited partners of the Blackstone Holdings Partnerships from time to time, as amended from time to time.

" Exchange Transaction " means an exchange of Units for Common Units pursuant to, and in accordance with, the Exchange Agreement or, if the Issuer and the exchanging Limited Partner shall mutually agree, a Transfer of Units to the Issuer, the Partnership or any of their subsidiaries for other consideration.

" Final Tax Amount " has the meaning set forth in Section 4.01(b)(ii).

" Fiscal Year " means (i) the period commencing upon the formation of the Partnership and ending on December 31, 2007 or (ii) any subsequent twelve-month period commencing on January 1 and ending on December 31.

" GAAP " means accounting principles generally accepted in the United States of America as in effect from time to time.

" General Partner " means Blackstone Holdings I/II GP Inc., a corporation formed under the laws of the State of Delaware or any successor general partner admitted to the Partnership in accordance with the terms of this Agreement.

" Government Official " means a person who holds a high-level, full-time position with a national, supranational, U.S. federal, U.S. state or City of New York government.

" Incapacity " means, with respect to any Person, the bankruptcy, dissolution, termination, entry of an order of incompetence, or the insanity, permanent disability or death of such Person.

" Initial Limited Partner " means each Limited Partner as of the date of this Agreement.

" Initial Units " means, with respect to any Initial Limited Partner, the aggregate number of Class A Units owned by such Initial Limited Partner as of the date of this Agreement.

" Initial Unvested Units " means, with respect to any Initial Limited Partner, the aggregate number of Unvested Units owned by such Initial Limited Partner as of the date of this Agreement.

" Initial Vested Units " means, with respect to any Initial Limited Partner, the aggregate number of Vested Units listed in the books and records of the Partnership as of the date of this Agreement, and any additional Initial Units that have vested from time to time in accordance with Section 8.01 of this Agreement.

" Intangible Assets " means the assets of the Partnership that are described in Section 197(d) of the Code.

" Intangible Asset Gain " means the net gain recognized by the Partnership with respect to the Partnership's Intangible Assets in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership, including but not limited to net capital gain realized in connection with an adjustment to the Carrying Value of Partnership

assets; provided , however , that any such gain shall constitute "Intangible Asset Gain" only to the extent that any such gain exceeds losses previously recognized in an actual or hypothetical sale of Intangible Assets.

" IPO " means the initial public offering and sale of Common Units, as contemplated by the Issuer's Registration Statement on Form S-1 (File No. 333-141504).

" Issuer " means The Blackstone Group L.P., a limited partnership formed under the laws of the State of Delaware, or any successor thereto.

" Issuer General Partner " means Blackstone Group Management L.L.C., a limited liability company formed under the laws of the State of Delaware and the general partner of the Issuer, or any successor general partner of the Issuer.

" Issuer Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of the Issuer to be dated substantially concurrently with the consummation of the IPO, as such agreement of limited partnership may be amended, supplemented or restated from time to time.

" Law " means any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree or other order issued or promulgated by any national, supranational, state, federal, provincial, local or municipal government or any administrative or regulatory body with authority therefrom with jurisdiction over the Partnership or any Partner, as the case may be.

" Limited Partner " means each of the Persons from time to time listed as a limited partner in the books and records of the Partnership, and, for purposes of Sections 8.01, 8.02, 8.03, 8.04, 8.05 and 8.06, any Personal Planning Vehicle of such Limited Partner.

" Liquidation Agent " has the meaning set forth in Section 9.03 of this Agreement.

" Last Reported Sale Price " of the Common Units on any date means:

(a) the closing sale price per unit on the New York Stock Exchange on that date (or, if no closing sale price is reported, the last reported sale price);

(b) if the Common Units are not listed for trading on the New York Stock Exchange, the closing sale price (or, if no closing sale price is reported, the last reported sale price) as reported on that date in composite transactions for the principal national securities exchange registered pursuant to Section 6(g) of the Exchange Act on which the Common Units are listed;

(c) if the Common Units are not so listed on a national securities exchange, the last quoted bid price for the Common Units on that date in the over-the-counter market as reported by Pink Sheets LLC or a similar organization; or

(d) if the Common Units are not so quoted by Pink Sheets LLC or a similar organization, the average of the mid-point of the last bid and ask prices for the Common Units on that date from a nationally recognized independent investment banking firm selected by the General Partner for this purpose.

" Minimum Retained Ownership Requirement " has the meaning set forth in Section 8.04(a).

" Net Taxable Income " has the meaning set forth in Section 4.01(b)(i).

" Non-Competition Agreement " means collectively, the Senior Managing Director Non-Competition and Non-Solicitation Agreement and Contracting Employees Non-Competition and Non-Solicitation Agreement dated on or about the date hereof by certain Employed Limited Partners with each of the Blackstone Holdings Partnerships and any agreement with respect to similar subject matter entered into from time to time by an Employed Limited Partner.

" Nonrecourse Deductions " has the meaning set forth in Treasury Regulations Section 1.704-2(b). The amount of Nonrecourse Deductions of the Partnership for a fiscal year equals the net increase, if any, in the amount of Partnership Minimum Gain of the Partnership during that fiscal year, determined according to the provisions of Treasury Regulations Section 1.704-2(c).

" Original Agreement " has the meaning set forth in the preamble of this Agreement.

" Partners " means, at any time, each person listed as a Partner (including the General Partner) on the books and records of the Partnership, in each case for so long as he, she or it remains a partner of the Partnership as provided hereunder.

" Partnership " has the meaning set forth in the preamble of this Agreement.

" Partnership Minimum Gain " has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

" Partner Nonrecourse Debt Minimum Gain " means an amount with respect to each partner nonrecourse debt (as defined in Treasury Regulations Section 1.704-2(b)(4)) equal to the Partnership Minimum Gain that would result if such partner nonrecourse debt were treated as a nonrecourse liability (as defined in Treasury Regulations Section 1.752-1(a)(2)) determined in accordance with Treasury Regulations Section 1.704-2(i)(3).

" Partner Nonrecourse Deductions " has the meaning ascribed to the term "partner nonrecourse deductions" set forth in Treasury Regulations Section 1.704-2(i)(2).

" Person " means any individual, corporation, partnership, limited partnership, limited liability company, limited company, joint venture, trust, unincorporated or governmental organization or any agency or political subdivision thereof.

" Personal Planning Vehicle " means, in respect of any Limited Partner, any estate, family limited liability company, family limited partnership, or inter vivos or testamentary trust that holds Units that is designated as a Personal Planning Vehicle of such Limited Partner in the books and records of the Partnership.

" Profits " and " Losses " means, for each Fiscal Year or other period, the taxable income or loss of the Partnership, or particular items thereof, determined in accordance with the accounting method used by the Partnership for U.S. federal income tax purposes with the following adjustments: (a) all items of income, gain, loss or deduction allocated pursuant to Section 5.05 shall not be taken into account in computing such taxable income or loss; (b) any income of the Partnership that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Profits and Losses shall be added to such taxable income or loss; (c) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, any gain or loss resulting from a disposition of such asset shall be calculated with reference to such Carrying Value; (d) upon an adjustment to the Carrying Value (other than an adjustment in respect of depreciation) of any asset, pursuant to the definition of Carrying Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (e) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, the amount of depreciation, amortization or cost recovery deductions with respect to such asset for purposes of determining Profits and Losses, if any, shall be an amount which bears the same ratio to such Carrying Value as the U.S. federal income tax depreciation, amortization or other cost recovery deductions bears to such adjusted tax basis (provided that if the U.S. federal income tax depreciation, amortization or other cost recovery deduction is zero, the General Partner may use any reasonable method for purposes of determining depreciation, amortization or other cost recovery deductions in calculating Profits and Losses); and (f) except for items in (a) above, any expenditures of the Partnership not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Profits and Losses pursuant to this definition shall be treated as deductible items.

" Restricted Period ," with respect to each Limited Partner that is or was an Employed Limited Partner, has the meaning set forth in such Limited Partner's Non-Competition Agreement.

" Restrictive Covenant ," with respect to each Limited Partner that is or was an Employed Limited Partner, has the meaning set forth in such Limited Partner's Non-Competition Agreement.

" Retirement " (including the term " Retire ") means retirement of an Employed Limited Partner from his or her employment with the Issuer General Partner, the Issuer, the General Partner, the Partnership or any of their subsidiaries after (a) he or she has reached age 65 and has at least five full years of service, or (b) (i) his or her age plus years of service totals at least 65, (ii) he or she has reached age 50 and (iii) he or she has had a minimum of five years of service; provided , however, that no Employed Limited Partner will be eligible to Retire prior to June 30, 2010.

" Securities Act " means the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

" Similar Law " means any law or regulation that could cause the underlying assets of the Partnership to be treated as assets of the Limited Partner by virtue of its limited partner interest in the Partnership and thereby subject the Partnership and the General Partner (or other persons responsible for the investment and operation of the Partnership's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the Code.

" Tax Advances " has the meaning set forth in Section 5.07.

" Tax Amount " has the meaning set forth in Section 4.01(b)(i).

" Tax Distributions " has the meaning set forth in Section 4.01(b)(i).

" Tax Matters Partner " has the meaning set forth in Section 5.08.

" Total Percentage Interest " means, with respect to any Partner, the quotient obtained by dividing the number of Units (vested or unvested) then owned by such Partner by the number of Units then owned by all Partners.

" Transfer " means, in respect of any Unit, property or other asset, any sale, assignment, transfer, distribution or other disposition thereof, whether voluntarily or by operation of Law, including, without limitation, the exchange of any Unit for any other security.

" Transferee " means any Person that is a transferee of a Partner's interest in the Partnership, or part thereof.

" Treasury Regulations " means the income tax regulations, including temporary regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

" Units " means the Class A Units and any other Class of Units authorized in accordance with this Agreement, which shall constitute interests in the Partnership as provided in this Agreement and under the Act, entitling the holders thereof to the relative rights, title and interests in the profits, losses, deductions and credits of the Partnership at any particular time as set forth in this Agreement, and any and all other benefits to which a holder thereof may be entitled as a Partner as provided in this Agreement, together with the obligations of such Partner to comply with all terms and provisions of this Agreement.

" Unvested Units " means those Units listed as unvested Units in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement.

" Vested Percentage Interest " means, with respect to any Partner, the quotient obtained by dividing the number of Vested Units then owned by such Partner by the number of Vested Units then owned by all Partners.

" Vested Units " means those Units listed as vested Units in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement.

ARTICLE II

FORMATION, TERM, PURPOSE AND POWERS

SECTION 2.01. Formation . The Partnership was formed as a limited partnership under the provisions of the Act by the filing on May 18, 2007 of the Certificate as provided in the preamble of this Agreement and the execution of the Original Agreement. If requested by the General Partner, the Limited Partners shall promptly execute all certificates and other documents consistent with the terms of this Agreement necessary for the General Partner to accomplish all filing, recording, publishing and other acts as may be appropriate to comply with all requirements for (a) the formation and operation of a limited partnership under the laws of the State of Delaware, (b) if the General Partner deems it advisable, the operation of the Partnership as a limited partnership, or partnership in which the Limited Partners have limited liability, in all jurisdictions where the Partnership proposes to operate and (c) all other filings required to be made by the Partnership.

SECTION 2.02. Name . The name of the Partnership shall be, and the business of the Partnership shall be conducted under the name of, Blackstone Holdings II L.P.

SECTION 2.03. Term . The term of the Partnership commenced on the date of the filing of the Certificate, and the term shall continue until the dissolution of the Partnership in accordance with Article IX. The existence of the Partnership shall continue until cancellation of the Certificate in the manner required by the Act.

SECTION 2.04. Offices . The Partnership may have offices at such places either within or outside the State of Delaware as the General Partner from time to time may select.

SECTION 2.05. Agent for Service of Process . The Partnership's registered agent for service of process in the State of Delaware shall be as set forth in the Certificate, as the same may be amended by the General Partner from time to time.

SECTION 2.06. Business Purpose . The Partnership was formed for the object and purpose of, and the nature and character of the business to be conducted by the Partnership is, engaging in any lawful act or activity for which limited partnerships may be formed under the Act.

SECTION 2.07. Powers of the Partnership . Subject to the limitations set forth in this Agreement, the Partnership will possess and may exercise all of the powers and privileges granted to it by the Act including, without limitation, the ownership and operation of the assets contributed to the Partnership by the Partners, by any other Law or this Agreement, together with all powers incidental thereto, so far as such powers are necessary or convenient to the conduct, promotion or attainment of the purpose of the Partnership set forth in Section 2.06.

SECTION 2.08. Partners; Admission of New Partners . Each of the Persons listed in the books and records of the Partnership, as the same may be amended from time to time in

accordance with this Agreement, by virtue of the execution of this Agreement, are admitted as Partners of the Partnership. The rights, duties and liabilities of the Partners shall be as provided in the Act, except as is otherwise expressly provided herein, and the Partners consent to the variation of such rights, duties and liabilities as provided herein. A Person may be admitted from time to time as a new Partner in accordance with Section 8.10; provided , however, that each new Partner shall execute and deliver to the General Partner an appropriate supplement to this Agreement pursuant to which the new Partner agrees to be bound by the terms and conditions of the Agreement, as it may be amended from time to time.

SECTION 2.09. Withdrawal . No Partner shall have the right to withdraw as a Partner of the Partnership other than following the Transfer of all Units owned by such Partner in accordance with Article VIII; provided , however, that a new General Partner or substitute General Partner may be admitted to the Partnership in accordance with Section 8.09.

ARTICLE III

MANAGEMENT

SECTION 3.01. General Partner . (a) The business, property and affairs of the Partnership shall be managed under the sole, absolute and exclusive direction of the General Partner, which may from time to time delegate authority to officers or to others to act on behalf of the Partnership.

(b) Without limiting the foregoing provisions of this Section 3.01, the General Partner shall have the general power to manage or cause the management of the Partnership (which may be delegated to officers of the Partnership), including, without limitation, the following powers:

(i) to develop and prepare a business plan each year which will set forth the operating goals and plans for the Partnership;

(ii) to execute and deliver or to authorize the execution and delivery of contracts, deeds, leases, licenses, instruments of transfer and other documents on behalf of the Partnership;

(iii) the making of any expenditures, the lending or borrowing of money, the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness and the incurring of any other obligations;

(iv) to employ, retain, consult with and dismiss personnel;

(v) to establish and enforce limits of authority and internal controls with respect to all personnel and functions;

(vi) to engage attorneys, consultants and accountants for the Partnership;

(vii) to develop or cause to be developed accounting procedures for the maintenance of the Partnership's books of account; and

(viii) to do all such other acts as shall be authorized in this Agreement or by the Partners in writing from time to time.

SECTION 3.02. Compensation . The General Partner shall not be entitled to any compensation for services rendered to the Partnership in its capacity as General Partner.

SECTION 3.03. Expenses . The Partnership shall bear and/or reimburse the General Partner for any expenses incurred by the General Partner in connection with serving as the general partner of the Partnership.

SECTION 3.04. Officers . Subject to the direction and oversight of the General Partner, the day-to-day administration of the business of the Partnership may be carried out by employees and agents who may be designated as officers by the General Partner, with titles including but not limited to "chief executive officer," "chief financial officer," "chief legal officer," "chief administrative officer," "chief compliance officer," "principal accounting officer," "chairman," "senior chairman," "vice chairman," "president," "vice president," "treasurer," "assistant treasurer," "secretary," "assistant secretary," "general manager," "senior managing director," "managing director" and "director," as and to the extent authorized by the General Partner. The officers of the Partnership shall have such titles and powers and perform such duties as shall be determined from time to time by the General Partner and otherwise as shall customarily pertain to such offices. Any number of offices may be held by the same person. All employees, agents and officers shall be subject to the supervision and direction of the General Partner and may be removed from such office by the General Partner and the authority, duties or responsibilities of any employee, agent or officer of the Partnership may be suspended by the General Partner from time to time, in each case in the sole discretion of the General Partner. The General Partner shall not cease to be a general partner of the Partnership as a result of the delegation of any duties hereunder. No officer of the Partnership, in its capacity as such, shall be considered a general partner of the Partnership by agreement, estoppel, as a result of the performance of its duties hereunder or otherwise.

SECTION 3.05. Authority of Partners . No Limited Partner, in its capacity as such, shall participate in or have any control over the business of the Partnership. Except as expressly provided herein, the Units do not confer any rights upon the Limited Partners to participate in the affairs of the Partnership described in this Agreement. Except as expressly provided herein, the Limited Partners shall have no right to vote on any matter involving the Partnership, including with respect to any merger, consolidation, combination or conversion of the Partnership. The conduct, control and management of the Partnership shall be vested exclusively in the General Partner. In all matters relating to or arising out of the conduct of the operation of the Partnership, the decision of the General Partner shall be the decision of the Partnership. Except as required or permitted by Law, or expressly provided in the ultimate sentence of this Section 3.05 or by separate agreement with the Partnership, no Partner who is not also a General Partner (and acting in such capacity) shall take any part in the management or control of the operation or business of the Partnership in its capacity as a Partner, nor shall any Partner who is not also a General Partner (and acting in such capacity) have any right, authority or power to act for or on behalf of or bind the Partnership in his

or its capacity as a Partner in any respect or assume any obligation or responsibility of the Partnership or of any other Partner. Notwithstanding the foregoing, the Partnership may employ one or more Partners from time to time, and such Partners, in their capacity as employees of the Partnership (and not, for clarity, in their capacity as Limited Partners of the Partnership), may take part in the control and management of the business of the Partnership to the extent such authority and power to act for or on behalf of the Partnership has been delegated to them by the General Partner.

SECTION 3.06. Action by Written Consent or Ratification . Any action required or permitted to be taken by the Partners pursuant to this Agreement shall be taken if all Partners whose consent or ratification is required consent thereto or provide a ratification in writing.

ARTICLE IV

DISTRIBUTIONS

SECTION 4.01. Distributions . (a) The General Partner, in its sole discretion, may authorize distributions by the Partnership to the Partners, which distributions shall be made *pro rata* in accordance with the Partners' respective Total Percentage Interests. Notwithstanding the foregoing, any distributions in respect of income of the Partnership earned on or prior to December 31, 2009 shall be made each Fiscal Year (A) first, to the General Partner until sufficient distributions from the Partnership, together with distributions from the other Blackstone Holdings Partnerships to their respective general partners, have been so allocated to permit the Issuer to make aggregate distributions to holders of Common Units of US$1.20 per Common Unit on an annualized basis for such Fiscal Year; (B) second, to the Limited Partners until an amount of distributions (on a per Unit basis) equivalent to the distributions to the General Partner under clause (A) of this Section 4.01 has been distributed in respect of each Limited Partners' respective Total Percentage Interests for such Fiscal Year; and (C) third, *pro rata* in accordance with the Partners' respective Total Percentage Interests.

(b) (i) In addition to the foregoing, if the General Partner reasonably determines that the taxable income of the Partnership for a Fiscal Year will give rise to taxable income for the Partners (" Net Taxable Income "), the General Partner shall cause the Partnership to distribute Available Cash in respect of income tax liabilities (the " Tax Distributions ") to the extent that other distributions made by the Partnership for such year were otherwise insufficient to cover such tax liabilities. The Tax Distributions payable with respect to any Fiscal Year shall be computed based upon the General Partner's estimate of the allocable Net Taxable Income in accordance with Article V, multiplied by the Assumed Tax Rate (the " Tax Amount "). For purposes of computing the Tax Amount, the effect of any benefit under Section 743(b) of the Code will be ignored.

(ii) Tax Distributions shall be calculated and paid no later than one day prior to each quarterly due date for the payment by corporations on a calendar year of estimated taxes under the Code in the following manner (A) for the first quarterly period, 25% of the Tax Amount, (B) for the second quarterly period, 50% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year, (C) for the third quarterly period, 75% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year and (D) for the fourth quarterly

period, 100% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year. Following each Fiscal Year, and no later than one day prior to the due date for the payment by corporations of income taxes for such Fiscal Year, the General Partner shall make an amended calculation of the Tax Amount for such Fiscal Year (the " Amended Tax Amount "), and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Amended Tax Amount so calculated exceeds the cumulative Tax Distributions previously made by the Partnership in respect of such Fiscal Year. If the Amended Tax Amount is less than the cumulative Tax Distributions previously made by the Partnership in respect of the relevant Fiscal Year, then the difference (the " Credit Amount ") shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Within 30 days following the date on which the Partnership files a tax return on Form 1065, the General Partner shall make a final calculation of the Tax Amount of such Fiscal Year (the " Final Tax Amount ") and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Final Tax Amount so calculated exceeds the Amended Tax Amount. If the Final Tax Amount is less than the Amended Tax Amount in respect of the relevant Fiscal Year, then the difference (" Additional Credit Amount ") shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Any Credit Amount and Additional Credit Amount applied against future Tax Distributions shall be treated as an amount actually distributed pursuant to this Section 4.01(b) for purposes of the computations herein.

SECTION 4.02. Liquidation Distribution . Distributions made upon dissolution of the Partnership shall be made as provided in Section 9.03.

SECTION 4.03. Limitations on Distribution . Notwithstanding any provision to the contrary contained in this Agreement, the General Partner shall not make a Partnership distribution to any Partner if such distribution would violate Section 17-607 of the Act or other applicable Law.

ARTICLE V

CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS; TAX ALLOCATIONS; TAX MATTERS

SECTION 5.01. Initial Capital Contributions . (a) The Partners have made, on or prior to the date hereof, Capital Contributions and, in exchange, the Partnership has issued to the Partners the number of Class A Units as specified in the books and records of the Partnership.

(b) Upon issuance by the Partnership of Class A Units to the Partners, the interests in the Partnership as provided in this Agreement and under the Act held by Blackstone Holdings I/II Limited Partner L.L.C. will be cancelled.

SECTION 5.02. No Additional Capital Contributions . Except as otherwise provided in this Article V, no Partner shall be required to make additional Capital Contributions to the Partnership without the consent of such Partner or permitted to make additional capital contributions to the Partnership without the consent of the General Partner.

SECTION 5.03. Capital Accounts . A separate capital account (a " Capital Account ") shall be established and maintained for each Partner in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv). The Capital Account of each Partner shall be credited with such Partner's Capital Contributions, if any, all Profits allocated to such Partner pursuant to Section 5.04 and any items of income or gain which are specially allocated pursuant to Section 5.05; and shall be debited with all Losses allocated to such Partner pursuant to Section 5.04, any items of loss or deduction of the Partnership specially allocated to such Partner pursuant to Section 5.05, and all cash and the Carrying Value of any property (net of liabilities assumed by such Partner and the liabilities to which such property is subject) distributed by the Partnership to such Partner. Any references in any section of this Agreement to the Capital Account of a Partner shall be deemed to refer to such Capital Account as the same may be credited or debited from time to time as set forth above. In the event of any transfer of any interest in the Partnership in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

SECTION 5.04. Allocations of Profits and Losses . Except as otherwise provided in this Agreement, Profits and Losses (and, to the extent necessary, individual items of income, gain or loss or deduction of the Partnership) shall be allocated in a manner such that the Capital Account of each Partner after giving effect to the Special Allocations set forth in Section 5.05 is, as nearly as possible, equal (proportionately) to (i) the distributions that would be made pursuant to Article IV if the Partnership were dissolved, its affairs wound up and its assets sold for cash equal to their Carrying Value, all Partnership liabilities were satisfied (limited with respect to each non-recourse liability to the Carrying Value of the assets securing such liability) and the net assets of the Partnership were distributed to the Partners pursuant to this Agreement, minus (ii) such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, computed immediately prior to the hypothetical sale of assets. For purposes of this Article V, each Unvested Unit shall be treated as a Vested Unit. Notwithstanding the foregoing, the General Partner shall make such adjustments to Capital Accounts as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a partner's interest in the Partnership.

SECTION 5.05. Special Allocations . Notwithstanding any other provision in this Article V:

(a) Minimum Gain Chargeback . If there is a net decrease in Partnership Minimum Gain or Partner Nonrecourse Debt Minimum Gain (determined in accordance with the principles of Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any Partnership taxable year, the Partners shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to their respective shares of such net decrease during such year, determined pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Treasury Regulations Section 1.704-2(f). This Section 5.05(a) is intended to comply with the minimum gain chargeback requirements in such Treasury Regulations Sections and shall be interpreted consistently therewith; including that no chargeback shall be required to the extent of the exceptions provided in Treasury Regulations Sections 1.704-2(f) and 1.704-2(i)(4).

(b) Qualified Income Offset . If any Partner unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5)

or (6), items of Partnership income and gain shall be specially allocated to such Partner in an amount and manner sufficient to eliminate the deficit balance in such Partner's Adjusted Capital Account Balance created by such adjustments, allocations or distributions as promptly as possible; provided that an allocation pursuant to this Section 5.05(b) shall be made only to the extent that a Partner would have a deficit Adjusted Capital Account Balance in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if this Section 5.05(b) were not in this Agreement. This Section 5.05(b) is intended to comply with the "qualified income offset" requirement of the Code and shall be interpreted consistently therewith.

(c) Gross Income Allocation . If any Partner has a deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of (i) the amount such Partner is obligated to restore, if any, pursuant to any provision of this Agreement, and (ii) the amount such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Section 1.704-2(g)(1) and 1.704-2(i)(5), each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible; provided that an allocation pursuant to this Section 5.05(c) shall be made only if and to the extent that a Partner would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if Section 5.05(b) and this Section 5.05(c) were not in this Agreement.

(d) Nonrecourse Deductions . Nonrecourse Deductions shall be allocated to the Partners in accordance with their respective Total Percentage Interests.

(e) Partner Nonrecourse Deductions . Partner Nonrecourse Deductions for any taxable period shall be allocated to the Partner who bears the economic risk of loss with respect to the liability to which such Partner Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(j).

(f) Creditable Non-U.S. Taxes . Creditable Non-U.S. Taxes for any taxable period attributable to the Partnership, or an entity owned directly or indirectly by the Partnership, shall be allocated to the Partners in proportion to the partners' distributive shares of income (including income allocated pursuant to Section 704(c) of the Code) to which the Creditable Non-U.S. Tax relates (under principles of Treasury Regulations Section 1.904-6). The provisions of this Section 5.05(f) are intended to comply with the provisions of Temporary Treasury Regulations Section 1.704-1T(b)(4)(xi), and shall be interpreted consistently therewith.

(g) Ameliorative Allocations . Any special allocations of income or gain pursuant to Sections 5.05(b) or 5.05(c) hereof shall be taken into account in computing subsequent allocations pursuant to Section 5.04 and this Section 5.05(g), so that the net amount of any items so allocated and all other items allocated to each Partner shall, to the extent possible, be equal to the net amount that would have been allocated to each Partner if such allocations pursuant to Sections 5.05(b) or 5.05(c) had not occurred.

SECTION 5.06. Tax Allocations . For income tax purposes, each item of income, gain, loss and deduction of the Partnership shall be allocated among the Partners in the same manner as the corresponding items of Profits and Losses and specially allocated items are allocated for Capital Account purposes; provided that in the case of any asset the Carrying Value of which

differs from its adjusted tax basis for U.S. federal income tax purposes, income, gain, loss and deduction with respect to such asset shall be allocated solely for income tax purposes in accordance with the principles of Sections 704(b) and (c) of the Code (in any manner determined by the General Partner and permitted by the Code and Treasury Regulations) so as to take account of the difference between Carrying Value and adjusted basis of such asset. Notwithstanding the foregoing, the General Partner shall make such allocations for tax purposes as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a partner's interest in the Partnership.

SECTION 5.07. Tax Advances . To the extent the General Partner reasonably believes that the Partnership is required by law to withhold or to make tax payments on behalf of or with respect to any Partner or the Partnership is subjected to tax itself by reason of the status of any Partner (" Tax Advances "), the General Partner may withhold such amounts and make such tax payments as so required. All Tax Advances made on behalf of a Partner shall be repaid by reducing the amount of the current or next succeeding distribution or distributions which would otherwise have been made to such Partner or, if such distributions are not sufficient for that purpose, by so reducing the proceeds of liquidation otherwise payable to such Partner. For all purposes of this Agreement such Partner shall be treated as having received the amount of the distribution that is equal to the Tax Advance. Each Partner hereby agrees to indemnify and hold harmless the Partnership and the other Partners from and against any liability (including, without limitation, any liability for taxes, penalties, additions to tax or interest other than any penalties, additions to tax or interest imposed as a result of the Partnership's failure to withhold or make a tax payment on behalf of such Partner which withholding or payment is required pursuant to applicable Law but only to the extent amounts sufficient to pay such taxes were not timely distributed to the Partner pursuant to Section 4.01(b)) with respect to income attributable to or distributions or other payments to such Partner.

SECTION 5.08. Tax Matters . The General Partner shall be the initial "tax matters partner" within the meaning of Section 6231(a)(7) of the Code (the " Tax Matters Partner "). The Partnership shall file as a partnership for federal, state, provincial and local income tax purposes, except where otherwise required by Law. All elections required or permitted to be made by the Partnership, and all other tax decisions and determinations relating to federal, state, provincial or local tax matters of the Partnership, shall be made by the Tax Matters Partner, in consultation with the Partnership's attorneys and/or accountants. Tax audits, controversies and litigations shall be conducted under the direction of the Tax Matters Partner. The Tax Matters Partner shall keep the other Partners reasonably informed as to any tax actions, examinations or proceedings relating to the Partnership and shall submit to the other Partners, for their review and comment, any settlement or compromise offer with respect to any disputed item of income, gain, loss, deduction or credit of the Partnership. As soon as reasonably practicable after the end of each Fiscal Year, the Partnership shall send to each Partner a copy of U.S. Internal Revenue Service Schedule K-1, and any comparable statements required by applicable U.S. state or local income tax Law as a result of the Partnership's activities or investments, with respect to such Fiscal Year. The Partnership also shall provide the Partners with such other information as may be reasonably requested for purposes of allowing the Partners to prepare and file their own tax returns.

SECTION 5.09. Other Allocation Provisions . Certain of the foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are

intended to comply with Treasury Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such regulations. Sections 5.03, 5.04 and 5.05 may be amended at any time by the General Partner if necessary, in the opinion of tax counsel to the Partnership, to comply with such regulations or any applicable Law, so long as any such amendment does not materially change the relative economic interests of the Partners.

ARTICLE VI

BOOKS AND RECORDS; REPORTS

SECTION 6.01. Books and Records . (a) At all times during the continuance of the Partnership, the Partnership shall prepare and maintain separate books of account for the Partnership in accordance with GAAP.

(b) Except as limited by Section 6.01(c), each Limited Partner shall have the right to receive, for a purpose reasonably related to such Limited Partner's interest as a Limited Partner in the Partnership, upon reasonable written demand stating the purpose of such demand and at such Limited Partner's own expense:

(i) a copy of the Certificate and this Agreement and all amendments thereto, together with a copy of the executed copies of all powers of attorney pursuant to which the Certificate and this Agreement and all amendments thereto have been executed; and

(ii) promptly after their becoming available, copies of the Partnership's federal, state and local income tax returns and reports, if any, for the three most recent years.

(c) The General Partner may keep confidential from the Limited Partners, for such period of time as the General Partner determines in its sole discretion, (i) any information that the General Partner reasonably believes to be in the nature of trade secrets or (ii) other information the disclosure of which the General Partner believes is not in the best interests of the Partnership, could damage the Partnership or its business or that the Partnership is required by law or by agreement with any third party to keep confidential.

ARTICLE VII

PARTNERSHIP UNITS

SECTION 7.01. Units . Interests in the Partnership shall be represented by Units. The Units initially are comprised of one Class: Class A Units. The General Partner may establish, from time to time in accordance with such procedures as the General Partner shall determine from time to time, other Classes, one or more series of any such Classes, or other Partnership securities with such designations, preferences, rights, powers and duties (which may be senior to existing Classes and series of Units or other Partnership securities), as shall be determined by the General Partner, including (i) the right to share in Profits and Losses or items thereof; (ii) the right to share in Partnership distributions; (iii) the rights upon dissolution and liquidation of the Partnership; (iv) whether, and the terms and conditions upon which, the Partnership may or shall be required to redeem the Units or other Partnership securities (including sinking fund provisions); (v) whether such Unit or other Partnership security is issued with the privilege of conversion or exchange and,

if so, the terms and conditions of such conversion or exchange; (vi) the terms and conditions upon which each Unit or other Partnership security will be issued, evidenced by certificates and assigned or transferred; (vii) the method for determining the Total Percentage Interest as to such Units or other Partnership securities; and (viii) the right, if any, of the holder of each such Unit or other Partnership security to vote on Partnership matters, including matters relating to the relative designations, preferences, rights, powers and duties of such Units or other Partnership securities. Except as expressly provided in this Agreement to the contrary, any reference to "Units" shall include the Class A Units and any other Classes that may be established in accordance with this Agreement. All Units of a particular Class shall have identical rights in all respects as all other Units of such Class, except in each case as otherwise specified in this Agreement.

SECTION 7.02. Register . The register of the Partnership shall be the definitive record of ownership of each Unit and all relevant information with respect to each Partner. Unless the General Partner shall determine otherwise, Units shall be uncertificated and recorded in the books and records of the Partnership.

SECTION 7.03. Registered Partners . The Partnership shall be entitled to recognize the exclusive right of a Person registered on its records as the owner of Units for all purposes and shall not be bound to recognize any equitable or other claim to or interest in Units on the part of any other Person, whether or not it shall have express or other notice thereof, except as otherwise provided by the Act or other applicable Law.

ARTICLE VIII

VESTING; FORFEITURE OF INTERESTS; TRANSFER RESTRICTIONS

SECTION 8.01. Vesting of Initial Unvested Units . (a) Subject to Section 8.02 and except as set forth in Section 8.01(b) or as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, the Initial Unvested Units shall vest and shall thereafter be Vested Units for all purposes of this Agreement as follows:

(i) with respect to each Category 1 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 25% installments on each of the first, second, third and fourth anniversary dates of the consummation of the IPO;

(ii) with respect to each Category 3 Limited Partner and Category 4 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 20% installments on each of the first, second, third, fourth and fifth anniversary dates of the consummation of the IPO; and

(iii) with respect to each Category 5 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 12.5% installments on each of the first, second, third, fourth, fifth, sixth, seventh and eighth anniversary dates of the consummation of the IPO.

(b) Notwithstanding Section 8.01(a), if earlier, the Initial Unvested Units shall vest and shall thereafter be Vested Units for all purposes of this Agreement as follows: (i) upon the Retirement of an Employed Limited Partner, 50% of the Initial Unvested Units owned by such Limited Partner that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement; (ii) upon the death or Disability of an Employed Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement; and (iii) upon the occurrence of a Change in Control, 100% of the Initial Unvested Units that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement.

(c) In addition, the General Partner in its sole discretion may authorize the earlier vesting of all or a portion of the Initial Unvested Units owned by any one or more Limited Partners at any time and from time to time, and in such event, such Initial Unvested Units shall vest and thereafter be Vested Units for all purposes of this Agreement. Any such determination in the General Partner's discretion in respect of Initial Unvested Units shall be final and binding. Such determinations need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise.

(d) Upon the vesting of any Initial Unvested Units in accordance with this Section 8.01, the General Partner shall modify the books and records of the Partnership to reflect such vesting.

SECTION 8.02. Forfeiture of Units Held by Initial Limited Partners . (a) Other than as set forth in Section 8.01(b) and except as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, if a Limited Partner ceases to be an Employed Limited Partner for any reason, such Limited Partner's Unvested Units shall be immediately forfeited without any consideration, and such Limited Partner shall cease to own or have any rights with respect to such Unvested Units; provided , however, that if a Limited Partner ceases to be an Employed Limited Partner after June 30, 2010 in order to become a Government Official, such Limited Partner's Unvested Units shall continue to vest as set forth in Section 8.01 until such Limited Partner ceases to be a Government Official for any reason, at which point such Limited Partner's Unvested Units shall be immediately forfeited without any consideration (unless such Limited Partner becomes an Employed Limited Partner immediately after such Limited Partner ceases to be such a Government Official, in which case such Limited Partner's Unvested Units shall continue to vest as set forth in Section 8.01) and such Limited Partner shall cease to own or have any rights with respect to such Unvested Units. Immediately upon the forfeiture of any Initial Unvested Units, such Unvested Units that have been so forfeited shall be cancelled.

(b) Except as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, (i) if a Limited Partner that is or was at any time an Employed Limited Partner breaches any Restrictive Covenant to which such Limited Partner is subject or (ii) if an Employed Limited Partner is terminated for

Cause, the Initial Units held by such Limited Partner or such Limited Partner's Personal Planning Vehicle at that time (whether or not vested) shall be immediately forfeited without any consideration, and such Limited Partner shall cease to own or have any rights with respect to such Initial Units; provided , however, that Initial Units held by a Personal Planning Vehicle of a Category 1 Limited Partner created prior to the date of this Agreement are not subject to forfeiture. Immediately upon the forfeiture of any Initial Units, such Initial Units that have been so forfeited shall be cancelled.

(c) Upon the forfeiture of any Unvested Units in accordance with this Section 8.02, the General Partner shall modify the books and records of the Partnership to reflect such forfeiture.

SECTION 8.03. Limited Partner Transfers . (a) Except as provided in clauses (b), (c), (d) and (f) of this Section 8.03, no Limited Partner or Assignee thereof may Transfer (including by exchanging in an Exchange Transaction) all or any portion of its Units or other interest in the Partnership (or beneficial interest therein) without the prior consent of the General Partner, which consent may be given or withheld, or made subject to such conditions (including, without limitation, the receipt of such legal opinions and other documents that the General Partner may require) as are determined by the General Partner, in each case in the General Partner's sole discretion. Any such determination in the General Partner's discretion in respect of Units shall be final and binding. Such determinations need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise. Any purported Transfer of Units that is not in accordance with, or subsequently violates, this Agreement shall be, to the fullest extent permitted by law, null and void.

(b) Notwithstanding clause (a) above, except as provided in or pursuant to clauses (b), (c), (d), (e) and (f) below and subject to Section 8.04, (i) each Limited Partner other than a Category 2 Limited Partner may exchange in an Exchange Transaction (x) up to 33 1/3% of the Initial Vested Units owned by such Limited Partner on the first anniversary of the consummation of the IPO at any time and from time to time following the first anniversary of the consummation of the IPO; (y) up to 66 2/3% of the Initial Vested Units owned by such Limited Partner on the second anniversary of the consummation of the IPO less any Initial Vested Units Transferred pursuant to clause (i) at any time and from time to time following the second anniversary of the consummation of the IPO; and (z) up to 100% of the Initial Vested Units owned by such Limited Partner at any time and from time to time following the third anniversary of the consummation of the IPO; and (ii) each Category 2 Limited Partner may exchange in an Exchange Transaction (x) up to 33 1/3% of the Initial Vested Units owned by such Limited Partner on December 31, 2008 at any time and from time to time following December 31, 2008; (y) up to 66 2/3% of the Initial Vested Units owned by such Limited Partner on December 31, 2009 less any Initial Vested Units Transferred pursuant to clause (i) at any time and from time to time following December 31, 2009; and (z) up to 100% of the Initial Vested Units owned by such Limited Partner at any time and from time to time following December 31, 2010; provided in each case that any Initial Units owned by a Personal Planning Vehicle of a Limited Partner shall be aggregated with the Initial Units owned by such Limited Partner for purposes of calculating the limitation set forth in this Section 8.03(b); and provided further in each case that Unvested Units may not by Transferred at any time.

(c) Notwithstanding clauses (a) or (b) above, with the prior consent of the General Partner, (i) the Category 1 Limited Partners may make one or more gratuitous Transfers (including by exchanging in an Exchange Transaction) to any Charity at any time and from time to time up to a number of Initial Vested Units owned by such Limited Partners that is equal to the quotient of $250 million divided by the offering price per Common Unit in the IPO for the purpose of making gratuitous transfers to any Charity.

(d) Notwithstanding clauses (a) or (b) above, if earlier: (i) upon the death or Disability of an Employed Limited Partner, such Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; (ii) other than with respect to a Category 1 Limited Partner, following an Employed Limited Partner's termination of employment and after the earlier to occur of (A) one year from the date of termination of employment or (B) the expiration of the longest applicable Restricted Period with respect to such Employed Limited Partner, such Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; (iii) following Mr. Stephen A. Schwarzman's termination of employment, any Category 1 Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; and (iv) upon the occurrence of a Change in Control, any Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; provided that in each case Unvested Units may not by Transferred at any time.

(e) Notwithstanding anything to the contrary herein, other than pursuant to Section 8.03(f), no (i) Limited Partner that is or was a senior managing director of any of the Blackstone Holdings Partnerships or their subsidiaries nor any Personal Planning Vehicle of such Limited Partner or (ii) any Category 6 Limited Partner may effect an Exchange Transaction and/or Transfer any Common Units at any time prior to December 31, 2009 other than pursuant to transactions or programs approved by the General Partner in its sole discretion. Any such determinations by the General Partner need not be uniform and may be made selectively among any such Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise.

(f) Notwithstanding clauses (a), (b), (c), (d) and (e) above, a Personal Planning Vehicle of a Limited Partner may Transfer Class A Units (i) to the donor thereof or to the spouse of the donor thereof; (ii) if the Personal Planning Vehicle is a grantor retained annuity trust and the trustee(s) of such grantor retained annuity trust is obligated to make one or more distributions to the donor of the grantor retained annuity trust, the estate of the donor of the grantor retained annuity trust, the spouse of the donor of the grantor retained annuity trust or the estate of the spouse of the donor of the grantor retained annuity trust, to any such Persons; or (iii) upon the death of such Limited Partner, to the spouse of such Limited Partner or a trust for which a deduction under Section 2056 or 2056A (or any successor provisions) of the Code may be sought.

SECTION 8.04. Minimum Retained Ownership Requirement . (a) Other than the Category 1 Limited Partners, the Category 2 Limited Partners and the Category 6 Limited Partner and unless otherwise permitted by the General Partner in its sole discretion, each Limited Partner that is or was at any time an Employed Limited Partner other than a Personal Planning Vehicle shall, until the first anniversary of such Employed Limited Partner's termination of employment,

continue to hold (and may not Transfer) at least 25% of all Initial Vested Units received collectively by such Employed Limited Partner and by any Personal Planning Vehicle of such Employed Limited Partner (the " Minimum Retained Ownership Requirement "); and provided that upon the Retirement of an Employed Limited Partner, such Limited Partner shall be subject to a Minimum Retained Ownership Requirement of 12.5% instead of 25%. For purposes of this paragraph (a), (i) Units held by a Personal Planning Vehicle of a Limited Partner (other than the portion of the Units received by a Personal Planning Vehicle created prior to the date of this Agreement identified in the books and records of the Partnership as "Non-Minimum Retained Ownership Requirement Units") shall be deemed held by such Limited Partner for purposes of calculating the number of Initial Vested Units received by such Limited Partner and (ii) any Units held by a Personal Planning Vehicle of a Limited Partner shall not be deemed to be held by such Limited Partner for purposes of calculating whether the relevant percentage of Initial Vested Units held satisfies the Minimum Retained Ownership Requirement set forth in this Section 8.04(a).

(b) Unless otherwise approved by the General Partner in its sole discretion, each Category 1 Limited Partner other than a Personal Planning Vehicle shall, until Mr. Stephen A. Schwarzman's termination of employment, continue to hold (and may not Transfer) the lesser of (i) at least 25% of all Initial Vested Units received collectively by the Category 1 Limited Partners and (ii) a number of Initial Units that is equal to the quotient of $1.5 billion divided by the Last Reported Sale Price per Common Unit from time to time. For purposes of this paragraph (b), (i) Units held by a Personal Planning Vehicle of a Category 1 Limited Partner (other than the portion of the Units received by a Personal Planning Vehicle created prior to the date of this Agreement identified in the books and records of the Partnership as "Non-Minimum Retained Ownership Requirement Units") shall be deemed held by such Category 1 Limited Partner for purposes of calculating the number of Initial Vested Units received by such Category 1 Limited Partner and (ii) any Units held by a Personal Planning Vehicle of a Category 1 Limited Partner shall not be deemed to be held by such Category 1 Limited Partner for purposes of calculating whether the relevant percentage of Initial Vested Units held satisfies the Minimum Retained Ownership Requirement set forth in this Section 8.04(b).

SECTION 8.05. Mandatory Exchanges . The General Partner may in its sole discretion at any time and from time to time, without the consent of any Limited Partner, require any Limited Partner other than an Employed Limited Partner to Transfer in an Exchange Transaction all Units held by such Limited Partner. Any such determinations by the General Partner need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated. In addition, the General Partner may, with the consent of Partners whose Vested Percentage Interests exceed 75% of the Vested Percentage Interests of all Partners in the aggregate, require all Limited Partners to Transfer in an Exchange Transaction all Units held by them.

SECTION 8.06. Encumbrances . No Limited Partner or Assignee may create an Encumbrance with respect to all or any portion of its Units (or any beneficial interest therein) other than Encumbrances that run in favor of the Limited Partner unless the General Partner consents in writing thereto, which consent may be given or withheld, or made subject to such conditions as are determined by the General Partner, in the General Partner's sole discretion. Consent of the General Partner shall be withheld until the holder of the Encumbrance acknowledges the terms and conditions of this Agreement. Any purported Encumbrance that is not in accordance with this Agreement shall be, to the fullest extent permitted by law, null and void.

SECTION 8.07. Further Restrictions . Notwithstanding any contrary provision in this Agreement, in no event may any Transfer of a Unit be made by any Limited Partner or Assignee if:

(a) such Transfer is made to any Person who lacks the legal right, power or capacity to own such Unit;

(b) such Transfer would require the registration of such transferred Unit or of any Class of Unit pursuant to any applicable United States federal or state securities laws (including, without limitation, the Securities Act or the Exchange Act) or other non-U.S securities laws (including Canadian provincial or territorial securities laws) or would constitute a non-exempt distribution pursuant to applicable provincial or state securities laws;

(c) such Transfer would cause (i) all or any portion of the assets of the Partnership to (A) constitute "plan assets" (under ERISA, the Code or any applicable Similar Law) of any existing or contemplated Limited Partner, or (B) be subject to the provisions of ERISA, Section 4975 of the Code or any applicable Similar Law, or (ii) the General Partner to become a fiduciary with respect to any existing or contemplated Limited Partner, pursuant to ERISA, any applicable Similar Law, or otherwise;

(d) to the extent requested by the General Partner, the Partnership does not receive such legal and/or tax opinions and written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as an Assignee) that are in a form satisfactory to the General Partner, as determined in the General Partner's sole discretion.

SECTION 8.08. Rights of Assignees . Subject to Section 8.07, the transferee of any permitted Transfer pursuant to this Article VIII will be an assignee only (" Assignee "), and only will receive, to the extent transferred, the distributions and allocations of income, gain, loss, deduction, credit or similar item to which the Partner which transferred its Units would be entitled, and such Assignee will not be entitled or enabled to exercise any other rights or powers of a Partner, such other rights, and all obligations relating to, or in connection with, such Interest remaining with the transferring Partner. The transferring Partner will remain a Partner even if it has transferred all of its Units to one or more Assignees until such time as the Assignee(s) is admitted to the Partnership as a Partner pursuant to Section 8.10.

SECTION 8.09. Admissions, Withdrawals and Removals . (a) No Person may be admitted to the Partnership as an additional General Partner or substitute General Partner without the prior written consent or ratification of Partners whose Vested Percentage Interests exceed 50% of the Vested Percentage Interests of all Partners in the aggregate. A General Partner will not be entitled to Transfer all of its Units or to withdraw from being a General Partner of the Partnership unless another General Partner shall have been admitted hereunder (and not have previously been removed or withdrawn).

(b) No Limited Partner will be removed or entitled to withdraw from being a Partner of the Partnership except in accordance with Section 8.11 hereof.

(c) Except as otherwise provided in Article IX or the Act, no admission, substitution, withdrawal or removal of a Partner will cause the dissolution of the Partnership. To the fullest extent permitted by law, any purported admission, withdrawal or removal that is not in accordance with this Agreement shall be null and void.

SECTION 8.10. Admission of Assignees as Substitute Limited Partners . An Assignee will become a substitute Limited Partner only if and when each of the following conditions is satisfied:

(a) the General Partner consents in writing to such admission, which consent may be given or withheld, or made subject to such conditions as are determined by the General Partner, in each case in the General Partner's sole discretion;

(b) if required by the General Partner, the General Partner receives written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as a substitute Limited Partner) that are in a form satisfactory to the General Partner (as determined in its sole discretion);

(c) if required by the General Partner, the General Partner receives an opinion of counsel satisfactory to the General Partner to the effect that such Transfer is in compliance with this Agreement and all applicable Law; and

(d) if required by the General Partner, the parties to the Transfer, or any one of them, pays all of the Partnership's reasonable expenses connected with such Transfer (including, but not limited to, the reasonable legal and accounting fees of the Partnership).

SECTION 8.11. Withdrawal and Removal of Limited Partners . If a Limited Partner ceases to hold any Units, then such Limited Partner shall withdraw from the Partnership and shall cease to be a Limited Partner and to have the power to exercise any rights or powers of a Limited Partner.

ARTICLE IX

DISSOLUTION, LIQUIDATION AND TERMINATION

SECTION 9.01. No Dissolution . Except as required by the Act, Partnership shall not be dissolved by the admission of additional Partners or withdrawal of Partners in accordance with the terms of this Agreement. The Partnership may be dissolved, liquidated wound up and terminated only pursuant to the provisions of this Article IX, and the Partners hereby irrevocably waive any and all other rights they may have to cause a dissolution of the Partnership or a sale or partition of any or all of the Partnership assets.

SECTION 9.02. Events Causing Dissolution . The Partnership shall be dissolved and its affairs shall be wound up upon the occurrence of any of the following events (each, a " Dissolution Event "):

(a) the entry of a decree of judicial dissolution of the Partnership under Section 17-802 of the Act upon the finding by a court of competent jurisdiction that the General Partner (i) is permanently incapable of performing its part of this Agreement, (ii) has been guilty of conduct that is calculated to affect prejudicially the carrying on of the business of the Partnership, (iii) willfully or persistently commits a breach of this Agreement or (iv) conducts itself in a manner relating to the Partnership or its business such that it is not reasonably practicable for the other Partners to carry on the business of the Partnership with the General Partner;

(b) any event which makes it unlawful for the business of the Partnership to be carried on by the Partners;

(c) the written consent of all Partners;

(d) any other event not inconsistent with any provision hereof causing a dissolution of the Partnership under the Act;

(e) the Incapacity or removal of the General Partner or the occurrence of a Disabling Event with respect to the General Partner; provided that the Partnership will not be dissolved or required to be wound up in connection with any of the events specified in this Section 9.02(e) if: (i) at the time of the occurrence of such event there is at least one other general partner of the Partnership who is hereby authorized to, and elects to, carry on the business of the Partnership; or (ii) all remaining Limited Partners consent to or ratify the continuation of the business of the Partnership and the appointment of another general partner of the Partnership, effective as of the event that caused the General Partner to cease to be a general partner of the Partnership, within 120 days following the occurrence of any such event, which consent shall be deemed (and if requested each Limited Partner shall provide a written consent or ratification) to have been given for all Limited Partners if the holders of more than 50% of the Vested Units then outstanding agree in writing to so continue the business of the Partnership.

SECTION 9.03. Distribution upon Dissolution . Upon dissolution, the Partnership shall not be terminated and shall continue until the winding up of the affairs of the Partnership is completed. Upon the winding up of the Partnership, the General Partner, or any other Person designated by the General Partner (the " Liquidation Agent "), shall take full account of the assets and liabilities of the Partnership and shall, unless the General Partner determines otherwise, liquidate the assets of the Partnership as promptly as is consistent with obtaining the fair value thereof. The proceeds of any liquidation shall be applied and distributed in the following order:

(a) First, to the satisfaction of debts and liabilities of the Partnership (including satisfaction of all indebtedness to Partners and/or their Affiliates to the extent otherwise permitted by law) including the expenses of liquidation, and including the establishment of any reserve which the Liquidation Agent shall deem reasonably necessary for any contingent, conditional or unmatured contractual liabilities or obligations of the Partnership (" Contingencies "). Any such reserve may be paid over by the Liquidation Agent to any attorney-at-law, or acceptable party, as escrow agent, to be held for disbursement in payment of any Contingencies and, at the expiration of such period as shall be deemed advisable by the Liquidation Agent for distribution of the balance in the manner hereinafter provided in this Section 9.03; and

(b) The balance, if any, to the Partners, *pro rata* to each of the Partners in accordance with their Total Percentage Interests.

SECTION 9.04. Time for Liquidation . A reasonable amount of time shall be allowed for the orderly liquidation of the assets of the Partnership and the discharge of liabilities to creditors so as to enable the Liquidation Agent to minimize the losses attendant upon such liquidation.

SECTION 9.05. Termination . The Partnership shall terminate when all of the assets of the Partnership, after payment of or due provision for all debts, liabilities and obligations of the Partnership, shall have been distributed to the holders of Units in the manner provided for in this Article IX, and the Certificate shall have been cancelled in the manner required by the Act.

SECTION 9.06. Claims of the Partners . The Partners shall look solely to the Partnership's assets for the return of their Capital Contributions, and if the assets of the Partnership remaining after payment of or due provision for all debts, liabilities and obligations of the Partnership are insufficient to return such Capital Contributions, the Partners shall have no recourse against the Partnership or any other Partner or any other Person. No Partner with a negative balance in such Partner's Capital Account shall have any obligation to the Partnership or to the other Partners or to any creditor or other Person to restore such negative balance during the existence of the Partnership, upon dissolution or termination of the Partnership or otherwise, except to the extent required by the Act.

SECTION 9.07. Survival of Certain Provisions . Notwithstanding anything to the contrary in this Agreement, the provisions of Section 10.02 and Section 11.09 shall survive the termination of the Partnership.

ARTICLE X

LIABILITY AND INDEMNIFICATION

SECTION 10.01. Liability of Partners .

(a) No Limited Partner shall be liable for any debt, obligation or liability of the Partnership or of any other Partner or have any obligation to restore any deficit balance in its Capital Account solely by reason of being a Partner of the Partnership, except to the extent required by the Act.

(b) This Agreement is not intended to, and does not, create or impose any fiduciary duty on any of the Partners (including without limitation, the General Partner) hereto or on their respective Affiliates. Further, the Partners hereby waive any and all fiduciary duties that, absent such waiver, may exist at or be implied by Law or in equity, and in doing so, recognize, acknowledge and agree that their duties and obligations to one another and to the Partnership are only as expressly set forth in this Agreement and those required by the Act.

(c) To the extent that, at law or in equity, any Partner (including without limitation, the General Partner) has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or to another Partner, the Partners (including without limitation, the General Partner) acting under this Agreement will not be liable to the Partnership or to any such other Partner for their good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict or eliminate the duties and liabilities relating thereto of any Partner (including without limitation, the General Partner) otherwise existing at law or in equity, are agreed by the Partners to replace to that extent such other duties and liabilities of the Partners relating thereto (including without limitation, the General Partner).

(d) The General Partner may consult with legal counsel, accountants and financial or other advisors and any act or omission suffered or taken by the General Partner on behalf of the Partnership or in furtherance of the interests of the Partnership in good faith in reliance upon and in accordance with the advice of such counsel, accountants or financial or other advisors will be full justification for any such act or omission, and the General Partner will be fully protected in so acting or omitting to act so long as such counsel or accountants or financial or other advisors were selected with reasonable care.

(e) Notwithstanding any other provision of this Agreement or otherwise applicable provision of law or equity, whenever in this Agreement the General Partner is permitted or required to make a decision (i) in its "sole discretion" or "discretion" or under a grant of similar authority or latitude, such General Partner shall be entitled to consider only such interests and factors as it desires, including its own interests, and shall, to the fullest extent permitted by applicable Law, have no duty or obligation to give any consideration to any interest of or factors affecting the Partnership or the Limited Partners, or (ii) in its "good faith" or under another expressed standard, such General Partner shall act under such express standard and shall not be subject to any other or different standards.

SECTION 10.02. Indemnification .

(a) Indemnification . To the fullest extent permitted by law, the Partnership shall indemnify any person (and such person's heirs, executors or administrators) who was or is made or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding (brought in the right of the Partnership or otherwise), whether civil, criminal, administrative or investigative, and whether formal or informal, including appeals, by reason of the fact that such person, or a person for whom such person was the legal representative, is or was a Partner (including without limitation, the General Partner) or a director, officer or agent of a Partner (including without limitation, the General Partner) or the Partnership or, while a director, officer or agent of a Partner (including without limitation, the General Partner) or the Partnership, is or was serving at the request of the Partnership as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, limited liability company, nonprofit entity or other enterprise, for and against all loss and liability suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement reasonably incurred by such person or such heirs, executors or administrators in connection with such action, suit or proceeding, including appeals; provided that such person shall not be entitled to indemnification hereunder only to the extent such person's conduct constituted fraud, bad faith or willful misconduct. Notwithstanding the preceding sentence, except as otherwise provided in

Section 10.02(c), the Partnership shall be required to indemnify a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the General Partner.

(b) Advancement of Expenses . To the fullest extent permitted by law, the Partnership shall promptly pay expenses (including attorneys' fees) incurred by any person described in Section 10.02(a) in appearing at, participating in or defending any action, suit or proceeding in advance of the final disposition of such action, suit or proceeding, including appeals, upon presentation of an undertaking on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified under this Section 10.02 or otherwise. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.02(c), the Partnership shall be required to pay expenses of a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the General Partner.

(c) Unpaid Claims . If a claim for indemnification (following the final disposition of such action, suit or proceeding) or advancement of expenses under this Section 10.02 is not paid in full within thirty (30) days after a written claim therefor by any person described in Section 10.02(a) has been received by the Partnership, such person may file proceedings to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Partnership shall have the burden of proving that such person is not entitled to the requested indemnification or advancement of expenses under applicable Law.

(d) Insurance . To the fullest extent permitted by law, the Partnership may purchase and maintain insurance on behalf of any person described in Section 10.02(a) against any liability asserted against such person, whether or not the Partnership would have the power to indemnify such person against such liability under the provisions of this Section 10.02 or otherwise.

(e) Non-Exclusivity of Rights . The provisions of this Section 10.02 shall be applicable to all actions, claims, suits or proceedings made or commenced after the date of this Agreement, whether arising from acts or omissions to act occurring before or after its adoption. The provisions of this Section 10.02 shall be deemed to be a contract between the Partnership and each person entitled to indemnification under this Section 10.02 (or legal representative thereof) who serves in such capacity at any time while this Section 10.02 and the relevant provisions of applicable Law, if any, are in effect, and any amendment, modification or repeal hereof shall not affect any rights or obligations then existing with respect to any state of facts or any action, suit or proceeding then or theretofore existing, or any action, suit or proceeding thereafter brought or threatened based in whole or in part on any such state of facts. If any provision of this Section 10.02 shall be found to be invalid or limited in application by reason of any law or regulation, it shall not affect the validity of the remaining provisions hereof. The rights of indemnification provided in this Section 10.02 shall neither be exclusive of, nor be deemed in limitation of, any rights to which any person may otherwise be or become entitled or permitted by contract, this Partnership Agreement or as a matter of law, both as to actions in such person's official capacity and actions in any other capacity, it being the policy of the Partnership that indemnification of any person whom the Partnership is obligated to indemnify pursuant to Section 10.02(a) shall be made to the fullest extent permitted by law.

For purposes of this Section 10.02, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Partnership" shall include any service as a director, officer, employee or agent of the Partnership which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries.

This Section 10.02 shall not limit the right of the Partnership, to the extent and in the manner permitted by law, to indemnify and to advance expenses to, and purchase and maintain insurance on behalf of, persons other than persons described in Section 10.02(a).

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Severability . If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

SECTION 11.02. Notices . All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax, by electronic mail (delivery receipt requested) or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 11.02):

(a) If to the Partnership, to:

Blackstone Holdings II L.P.
c/o Blackstone Holdings I/II GP Inc.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(b) If to any Partner, to:

c/o Blackstone Holdings I/II GP Inc.
345 Park Avenue

New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(c) If to the General Partner, to:

Blackstone Holdings I/II GP Inc.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

SECTION 11.03. Cumulative Remedies . The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by Law.

SECTION 11.04. Binding Effect . This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

SECTION 11.05. Interpretation . Throughout this Agreement, nouns, pronouns and verbs shall be construed as masculine, feminine, neuter, singular or plural, whichever shall be applicable. Unless otherwise specified, all references herein to “Articles,” “Sections” and paragraphs shall refer to corresponding provisions of this Agreement.

SECTION 11.06. Counterparts . This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 11.06.

SECTION 11.07. Further Assurances . Each Limited Partner shall perform all other acts and execute and deliver all other documents as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

SECTION 11.08. Entire Agreement . This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

SECTION 11.09. Governing Law . This Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware.

SECTION 11.10. Submission to Jurisdiction; Waiver of Jury Trial .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the General Partner may bring, or may cause the Partnership to bring, on behalf of the General Partner or the Partnership or on behalf of one or more Partners, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Partner (i) expressly consents to the application of paragraph (c) of this Section 11.10 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the General Partner as such Partner's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Partner of any such service of process, shall be deemed in every respect effective service of process upon the Partner in any such action or proceeding.

(c) (i) EACH PARTNER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 11.10, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable Law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 11.10 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 11.10 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq.) (the " Delaware Arbitration Act "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 11.10, including any rules of the

International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable Law, such invalidity shall not invalidate all of this Section 11.10. In that case, this Section 11.10 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable Law, and, in the event such term or provision cannot be so limited, this Section 11.10 shall be construed to omit such invalid or unenforceable provision.

SECTION 11.11. Expenses . Except as otherwise specified in this Agreement, the Partnership shall be responsible for all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with its operation.

SECTION 11.12. Amendments and Waivers . (a) This Agreement (including the Annexes hereto) may be amended, supplemented, waived or modified by the written consent of the General Partner; provided that any amendment that would have a material adverse effect on the rights or preferences of any Class of Units in relation to other Classes of Units must be approved by the holders of not less than a majority of the Vested Percentage Interests of the Class affected; provided further , that the General Partner may, without the written consent of any Limited Partner or any other Person, amend, supplement, waive or modify any provision of this Agreement and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect: (i) any amendment, supplement, waiver or modification that the General Partner determines to be necessary or appropriate in connection with the creation, authorization or issuance of any class or series of equity interest in the Partnership; (ii) the admission, substitution, withdrawal or removal of Partners in accordance with this Agreement; (iii) a change in the name of the Partnership, the location of the principal place of business of the Partnership, the registered agent of the Partnership or the registered office of the Partnership; (iv) any amendment, supplement, waiver or modification that the General Partner determines in its sole discretion to be necessary or appropriate to address changes in U.S. federal income tax regulations, legislation or interpretation; (v) a change in the Fiscal Year or taxable year of the Partnership and any other changes that the General Partner determines to be necessary or appropriate as a result of a change in the Fiscal Year or taxable year of the Partnership including a change in the dates on which distributions are to be made by the Partnership.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Law.

(c) The General Partner may, in its sole discretion, unilaterally amend this Agreement on or before the effective date of the final regulations to provide for (i) the election of a safe harbor under Proposed Treasury Regulation Section 1.83-3(l) (or any similar provision) under which the fair market value of a partnership interest that is transferred is treated as being equal to the liquidation value of that interest, (ii) an agreement by the Partnership and each of its Partners to comply with all of the requirements set forth in such regulations and Notice 2005-43 (and any other guidance provided by the Internal Revenue Service with respect to such election) with respect to all partnership interests transferred in connection with the performance of services while the election

remains effective, (iii) the allocation of items of income, gains, deductions and losses required by the final regulations similar to Proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(b) and (c), and (iv) any other related amendments.

(d) Except as may be otherwise required by law in connection with the winding-up, liquidation, or dissolution of the Partnership, each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for judicial accounting or for partition of any of the Partnership's property.

SECTION 11.13. No Third Party Beneficiaries . This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their permitted assigns and successors and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement (other than pursuant to Section 10.02 hereof).

SECTION 11.14. Headings . The headings and subheadings in this Agreement are included for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

SECTION 11.15. Construction . Each party hereto acknowledges and agrees it has had the opportunity to draft, review and edit the language of this Agreement and that it is the intent of the parties hereto that no presumption for or against any party arising out of drafting all or any part of this Agreement will be applied in any dispute relating to, in connection with or involving this Agreement. Accordingly, the parties hereby waive to the fullest extent permitted by law the benefit of any rule of Law or any legal decision that would require that in cases of uncertainty, the language of a contract should be interpreted most strongly against the party who drafted such language.

SECTION 11.16. Power of Attorney . Each Limited Partner, by its execution hereof, hereby irrevocably makes, constitutes and appoints the General Partner as its true and lawful agent and attorney in fact, with full power of substitution and full power and authority in its name, place and stead, to make, execute, sign, acknowledge, swear to, record and file (a) this Agreement and any amendment to this Agreement that has been adopted as herein provided; (b) the original certificate of limited partnership of the Partnership and all amendments thereto required or permitted by law or the provisions of this Agreement; (c) all certificates and other instruments (including consents and ratifications which the Limited Partners have agreed to provide upon a matter receiving the agreed support of Limited Partners) deemed advisable by the General Partner to carry out the provisions of this Agreement (including the provisions of Section 8.05) and Law or to permit the Partnership to become or to continue as a limited partnership or partnership wherein the Limited Partners have limited liability in each jurisdiction where the Partnership may be doing business; (d) all instruments that the General Partner deems appropriate to reflect a change or modification of this Agreement or the Partnership in accordance with this Agreement, including, without limitation, the admission of additional Limited Partners or substituted Limited Partners pursuant to the provisions of this Agreement; (e) all conveyances and other instruments or papers deemed advisable by the General Partner to effect the liquidation and termination of the Partnership; and (f) all fictitious or assumed name certificates required or permitted (in light of the Partnership's activities) to be filed on behalf of the Partnership.

SECTION 11.17. Letter Agreements; Schedules . The General Partner may, or may cause the Partnership to, without the approval of any Limited Partner or other Person, enter into separate letter agreements with individual Limited Partners with respect to any matter, in each case on terms and conditions not inconsistent with this Agreement, which have the effect of establishing rights under, or supplementing the terms of, this Agreement. The General Partner may from time to time execute and deliver to the Limited Partners schedules which set forth information contained in the books and records of the Partnership and any other matters deemed appropriate by the General Partner. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

SECTION 11.18. Partnership Status . The parties intend to treat the Partnership as a partnership for U.S. federal income tax purposes.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement or have caused this Agreement to be duly executed by their respective authorized officers, in each case as of the date first above stated.

BLACKSTONE HOLDINGS I/II GP INC.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

AIG BG Holdings Inc.

By: /s/ Win J. Neuger
Name: Win J. Neuger
Title: President

LIMITED PARTNERS

All Limited Partners listed on Schedule I attached hereto, pursuant to the powers of executed in favor of, and granted and delivered to Stephen A. Schwarzman pursuant to Section 8.9 of that certain Contribution and Sale Agreement, dated as of the date hereof, by and among the Partnership, Blackstone Holdings I/II GP Inc., Blackstone Holdings III GP L.L.C., Blackstone Holdings IV GP L.P., Blackstone Holdings V GP L.P., Blackstone Holdings I/II Limited Partner Inc., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P., and the other parties thereto.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Attorney-in-fact

Exhibit 10.3

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

BLACKSTONE HOLDINGS III L.P.

Dated as of August 10, 2007

THE PARTNERSHIP UNITS OF BLACKSTONE HOLDINGS III L.P. HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, THE SECURITIES LAWS OF ANY STATE, PROVINCE OR ANY OTHER APPLICABLE SECURITIES LAWS AND ARE BEING SOLD IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH UNITS MUST BE ACQUIRED FOR INVESTMENT ONLY AND MAY NOT BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED OR TRANSFERRED AT ANY TIME EXCEPT IN COMPLIANCE WITH (I) THE SECURITIES ACT, ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR PROVINCE, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT. THE UNITS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS LIMITED PARTNERSHIP AGREEMENT. THEREFORE, PURCHASERS AND OTHER TRANSFEREES OF SUCH UNITS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT OR ACQUISITION FOR AN INDEFINITE PERIOD OF TIME.

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AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

BLACKSTONE HOLDINGS III L.P.

This AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT (this " Agreement ") of Blackstone Holdings III L.P. (the " Partnership ") is made as of the 10th day of August, 2007, by and among Blackstone Holdings III GP L.P., a limited partnership formed under the laws of the State of Delaware, as general partner, and the Limited Partners (as defined herein) of the Partnership.

WHEREAS, the Partnership was formed as a limited partnership pursuant to the Act, by the execution of the Limited Partnership Agreement of the Partnership dated as of August 6, 2007 (the " Original Agreement ");

WHEREAS, pursuant to that certain Assignment, Transfer and Distribution Agreement, dated as of the date hereof, among the Partnership, the General Partner (defined herein), Blackstone Holdings III L.P., a Delaware limited partnership (" Existing Holdings III "), and Blackstone Holdings III GP Management L.L.C., a Delaware limited liability company and the general partner of Existing Holdings III and the General Partner, the Partnership has acquired and assumed all of Existing Holdings III's right, title and interest in and to all of its assets and all of its duties, undertakings and obligations pursuant to all of its liabilities (collectively, the " Transferred Interests ") in exchange for Class A Units (as defined herein) in the Partnership and Existing Holdings III has distributed such Class A Units to the General Partner and the Limited Partners; and

WHEREAS, the parties hereto desire to enter into this Amended and Restated Limited Partnership Agreement of the Partnership and to permit the admission of the Limited Partners to the Partnership.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein made and intending to be legally bound hereby, the parties hereto agree to amend and restate the Original Agreement in its entirety to read as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions . Capitalized terms used herein without definition have the following meanings (such meanings being equally applicable to both the singular and plural form of the terms defined):

" Act " means, the Civil Code and An Act respecting legal publicity of sole proprietorships, partnerships and legal persons (Québec), as they may be amended from time to time, and the laws of Québec applicable to partnerships.

" Additional Credit Amount " has the meaning set forth in Section 4.01(b)(ii).

" Adjusted Capital Account Balance " means, with respect to each Partner, the balance in such Partner's Capital Account adjusted (i) by taking into account the adjustments, allocations and distributions described in U.S. Treasury Regulations Sections 1.704-1(b)(2)(ii)(c)(4), (5) and (6); and (ii) by adding to such balance such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5), any amounts such Partner is obligated to restore pursuant to any provision of this Agreement or by applicable Law. The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

" Affiliate " means, with respect to a specified Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such specified Person.

" Agreement " has the meaning set forth in the preamble of this Agreement.

" Amended Tax Amount " has the meaning set forth in Section 4.01(b)(ii).

" Assignee " has the meaning set forth in Section 8.08.

" Assumed Tax Rate " means the highest effective marginal combined U.S. federal, state and local income tax rate for a Fiscal Year prescribed for an individual or corporate resident in New York, New York (taking into account (a) the nondeductiblity of expenses subject to the limitation described in Section 67(a) of the Code and (b) the character (e.g., long-term or short-term capital gain or ordinary or exempt income) of the applicable income, but not taking into account the deductibility of state and local income taxes for U.S. federal income tax purposes). For the avoidance of doubt, the Assumed Tax Rate will be the same for all Partners.

" Available Cash " means, with respect to any fiscal period, the amount of cash on hand which the General Partner, in its reasonable discretion, deems available for distribution to the Partners, taking into account all debts, liabilities and obligations of the Partnership then due and amounts which the General Partner, in its reasonable discretion, deems necessary to expend or retain for working capital or to place into reserves for customary and usual claims with respect to the Partnership's operations.

" Blackstone Holdings Partnerships " means each of the Partnership, Blackstone Holdings I L.P., a Delaware limited partnership, Blackstone Holdings II L.P., a Delaware limited partnership, Blackstone Holdings IV L.P., a a Québec société en commandite, and Blackstone Holdings V L.P., a Québec société en commandite.

" Capital Account " means the separate capital account maintained for each Partner in accordance with Section 5.03 hereof.

" Capital Contribution " means, with respect to any Partner, the aggregate amount of money contributed to the Partnership and the Carrying Value of any property (other than money), net of any liabilities assumed by the Partnership upon contribution or to which such property is subject, contributed to the Partnership pursuant to Article V.

" Carrying Value " means, with respect to any Partnership asset, the asset's adjusted basis for U.S. federal income tax purposes, except that the initial carrying value of assets contributed to the Partnership shall be their respective gross fair market values on the date of contribution as determined by the General Partner, and the Carrying Values of all Partnership assets shall be adjusted to equal their respective fair market values, in accordance with the rules set forth in United States Treasury Regulation Section 1.704-1(b)(2)(iv)(f), except as otherwise provided herein, as of: (a) the date of the acquisition of any additional Partnership Interest by any new or existing Partner in exchange for more than a de minimis Capital Contribution; (b) the date of the distribution of more than a de minimis amount of Partnership assets to a Partner; (c) the date a Partnership Interest is relinquished to the Partnership; or (d) any other date specified in the United States Treasury Regulations; provided , however, that adjustments pursuant to clauses (a), (b) (c) and (d) above shall be made only if such adjustments are deemed necessary or appropriate by the General Partner to reflect the relative economic interests of the Partners. The Carrying Value of any Partnership asset distributed to any Partner shall be adjusted immediately before such distribution to equal its fair market value. In the case of any asset that has a Carrying Value that differs from its adjusted tax basis, Carrying Value shall be adjusted by the amount of depreciation calculated for purposes of the definition of "Profits (Losses)" rather than the amount of depreciation determined for U.S. federal income tax purposes, and depreciation shall be calculated by reference to Carrying Value rather than tax basis once Carrying Value differs from tax basis.

" Category 1 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 1 Limited Partner.

" Category 2 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 2 Limited Partner.

" Category 3 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 3 Limited Partner.

" Category 4 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 4 Limited Partner.

" Category 5 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 5 Limited Partner.

" Category 6 Limited Partner " means the Limited Partner identified in the books and records of the Partnership as a Category 6 Limited Partner.

" Cause " means the occurrence or existence of any of the following as determined fairly, reasonably, on an informed basis and in good faith by the General Partner: (i) (w) any breach by an Employed Limited Partner of any provision of this Agreement or the Non-Competition Agreement attached hereto, (x) any material breach of any rules or regulations applicable to senior managing directors or employees, as applicable, of the Blackstone

Holdings Partnerships, their subsidiaries and their affiliated entities, (y) an Employed Limited Partner's deliberate failure to perform his or her duties to the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, or (z) an Employed Limited Partner's committing to or engaging in any conduct or behavior that is or may be harmful to the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities in any material way (provided that, in the case of any of the foregoing clauses (w), (x), (y) and (z), the General Partner has given the Employed Limited Partner written notice (a " Notice of Breach ") within fifteen days after the General Partner becomes aware of such action and such Employed Limited Partner fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt by the Employed Limited Partner of such Notice of Breach from the General Partner (or such longer period, not to exceed an additional fifteen days, as shall be reasonably required for such cure, provided , that such Employed Limited Partner is diligently pursuing such cure), (iii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, or (iv) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a U.S. federal or state or comparable non-U.S. regulatory body or by a self-regulatory body having authority with respect to U.S. federal or state or comparable non-U.S. securities laws, rules or regulations of the securities industry, that such Employed Limited Partner individually has violated any U.S. federal or state or comparable non-U.S. securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Employed Limited Partner's ability to function as a senior managing director or employee, as applicable, of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, taking into account the services required of Employed Limited Partner and the nature of the business of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities or (B) the business of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities.

" Change of Control " means the occurrence of any Person, other than a Person approved by the current Issuer General Partner, becoming the general partner of the Issuer.

" Charity " means any organization that is organized and operated for a purpose described in Section 170(c) of the Code (determined without reference to Code Section 170(c)(2)(A)) and described in Code Sections 2055(a) and 2522.

" Civil Code " means the Civil Code of Québec, RSQ ch. C-1991, as it may be amended from time to time.

" Class " means the classes of Units into which the interests in the Partnership may be classified or divided from time to time pursuant to the provisions of this Agreement.

" Class A Units " means the Units of partnership interest in the Partnership designated as the "Class A Units" herein and having the rights pertaining thereto as are set forth in this Agreement.

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

" Common Units " means common units representing limited partner interests of the Issuer.

" Contingencies " has the meaning set forth in Section 9.03(b).

" Control " (including the terms " Controlled by " and " under common Control with ") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise, including, without limitation, the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body governing the affairs of such Person.

" Credit Amount " has the meaning set forth in Section 4.01(b)(ii) of this Agreement.

" Creditable Non-U.S. Tax " means a non-U.S. tax paid or accrued for United States federal income tax purposes by the Partnership, in either case to the extent that such tax is eligible for credit under Section 901(a) of the Code. A non-U.S. tax is a Creditable Non-U.S. Tax for these purposes without regard to whether a partner receiving an allocation of such non-U.S. tax elects to claim a credit for such amount. This definition is intended to be consistent with the definition of "Creditable Non-U.S. Tax" in Temporary Treasury Regulations Section 1.704-1T(b)(4)(xi)(*b*), and shall be interpreted consistently therewith.

"Declaration" means the declaration of registration of the Partnership filed with the Registraire des entreprises (Québec) pursuant to the Act, as amended from time to time.

" Disability " means, as to any Person, such Person's inability to perform in all material respects his or her duties and responsibilities to the General Partner, or any of its Affiliates, by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the General Partner may reasonably determine in good faith.

" Disabling Event " means the General Partner ceasing to be the general partner of the Partnership pursuant to Section 17-402 of the Act.

" Dissolution Event " has the meaning set forth in Section 9.02 of this Agreement.

" Employed Limited Partner " means any Limited Partner that is employed by or providing services to the Issuer General Partner, the Issuer, the General Partner, the Partnership or any of its subsidiaries at the time in question, and any Personal Planning Vehicle of such Limited Partner.

" Encumbrance " means any mortgage, claim, lien, encumbrance, conditional sales or other title retention agreement, right of first refusal, preemptive right, pledge, option, charge, security interest or other similar interest, easement, judgment or imperfection of title of any nature whatsoever.

" ERISA " means The Employee Retirement Income Security Act of 1974, as amended.

" Exchange Act " means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

" Exchange Agreement " means the exchange agreement dated as of or about the date hereof among the Issuer, the Blackstone Holdings Partnerships and the limited partners of the Blackstone Holdings Partnerships from time to time, as amended from time to time.

" Exchange Transaction " means an exchange of Units for Common Units pursuant to, and in accordance with, the Exchange Agreement or, if the Issuer and the exchanging Limited Partner shall mutually agree, a Transfer of Units to the Issuer, the Partnership or any of their subsidiaries for other consideration.

" Final Tax Amount " has the meaning set forth in Section 4.01(b)(ii).

" Fiscal Year " means (i) the period commencing upon the formation of the Partnership and ending on December 31, 2007 or (ii) any subsequent twelve-month period commencing on January 1 and ending on December 31.

" GAAP " means accounting principles generally accepted in the United States of America as in effect from time to time.

" General Partner " means Blackstone Holdings III GP L.P., a limited partnership formed under the laws of the State of Delaware or any successor general partner admitted to the Partnership in accordance with the terms of this Agreement.

" Government Official " means a person who holds a high-level, full-time position with a national, supranational, U.S. federal, U.S. state or City of New York government.

" Incapacity " means, with respect to any Person, the bankruptcy, dissolution, termination, entry of an order of incompetence, or the insanity, permanent disability or death of such Person.

" Initial Limited Partner " means each Limited Partner as of the date of this Agreement.

" Initial Units " means, with respect to any Initial Limited Partner, the aggregate number of Class A Units owned by such Initial Limited Partner as of the date of this Agreement.

" Initial Unvested Units " means, with respect to any Initial Limited Partner, the aggregate number of Unvested Units owned by such Initial Limited Partner as of the date of this Agreement.

" Initial Vested Units " means, with respect to any Initial Limited Partner, the aggregate number of Vested Units listed in the books and records of the Partnership as of the date of this Agreement, and any additional Initial Units that have vested from time to time in accordance with Section 8.01 of this Agreement.

" Intangible Assets " means the assets of the Partnership that are described in Section 197(d) of the Code.

" Intangible Asset Gain " means the net gain recognized by the Partnership with respect to the Partnership's Intangible Assets in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership, including but not limited to net capital gain realized in connection with an adjustment to the Carrying Value of Partnership assets; provided , however , that any such gain shall constitute "Intangible Asset Gain" only to the extent that any such gain exceeds losses previously recognized in an actual or hypothetical sale of Intangible Assets.

" IPO " means the initial public offering and sale of Common Units, as contemplated by the Issuer's Registration Statement on Form S-1 (File No. 333-141504).

" Issuer " means The Blackstone Group L.P., a limited partnership formed under the laws of the State of Delaware, or any successor thereto.

" Issuer General Partner " means Blackstone Group Management L.L.C., a limited liability company formed under the laws of the State of Delaware and the general partner of the Issuer, or any successor general partner of the Issuer.

" Issuer Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of the Issuer to be dated substantially concurrently with the consummation of the IPO, as such agreement of limited partnership may be amended, supplemented or restated from time to time.

" Law " means any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree or other order issued or promulgated by any national, supranational, state, federal, provincial, local or municipal government or any administrative or regulatory body with authority therefrom with jurisdiction over the Partnership or any Partner, as the case may be.

" Limited Partner " means a special partner, as defined in the Act and, more specifically, each of the Persons from time to time listed as a limited partner in the books and records of the Partnership, and, for purposes of Sections 8.01, 8.02, 8.03, 8.04, 8.05 and 8.06, any Personal Planning Vehicle of such Limited Partner.

" Liquidation Agent " has the meaning set forth in Section 9.03 of this Agreement.

" Last Reported Sale Price " of the Common Units on any date means:

(a) the closing sale price per unit on the New York Stock Exchange on that date (or, if no closing sale price is reported, the last reported sale price);

(b) if the Common Units are not listed for trading on the New York Stock Exchange, the closing sale price (or, if no closing sale price is reported, the last reported sale price) as reported on that date in composite transactions for the principal national securities exchange registered pursuant to Section 6(g) of the Exchange Act on which the Common Units are listed;

(c) if the Common Units are not so listed on a national securities exchange, the last quoted bid price for the Common Units on that date in the over-the-counter market as reported by Pink Sheets LLC or a similar organization; or

(d) if the Common Units are not so quoted by Pink Sheets LLC or a similar organization, the average of the mid-point of the last bid and ask prices for the Common Units on that date from a nationally recognized independent investment banking firm selected by the General Partner for this purpose.

" Minimum Retained Ownership Requirement " has the meaning set forth in Section 8.04(a).

" Net Taxable Income " has the meaning set forth in Section 4.01(b)(i).

" Non-Competition Agreement " means collectively, the Senior Managing Director Non-Competition and Non-Solicitation Agreement and Contracting Employees Non-Competition and Non-Solicitation Agreement dated on or about the date hereof by certain Employed Limited Partners with each of the Blackstone Holdings Partnerships and any agreement with respect to similar subject matter entered into from time to time by an Employed Limited Partner.

" Nonrecourse Deductions " has the meaning set forth in Treasury Regulations Section 1.704-2(b). The amount of Nonrecourse Deductions of the Partnership for a fiscal year equals the net increase, if any, in the amount of Partnership Minimum Gain of the Partnership during that fiscal year, determined according to the provisions of Treasury Regulations Section 1.704-2(c).

" Original Agreement " has the meaning set forth in the preamble of this Agreement.

" Partners " means, at any time, each person listed as a Partner (including the General Partner) on the books and records of the Partnership, in each case for so long as he, she or it remains a partner of the Partnership as provided hereunder.

" Partnership " has the meaning set forth in the preamble of this Agreement.

" Partnership Minimum Gain " has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

" Partner Nonrecourse Debt Minimum Gain " means an amount with respect to each partner nonrecourse debt (as defined in Treasury Regulations Section 1.704-2(b)(4)) equal to the Partnership Minimum Gain that would result if such partner nonrecourse debt were treated as a nonrecourse liability (as defined in Treasury Regulations Section 1.752-1(a)(2)) determined in accordance with Treasury Regulations Section 1.704-2(i)(3).

" Partner Nonrecourse Deductions " has the meaning ascribed to the term "partner nonrecourse deductions" set forth in Treasury Regulations Section 1.704-2(i)(2).

" Person " means any individual, corporation, partnership, limited partnership, limited liability company, limited company, joint venture, trust, unincorporated or governmental organization or any agency or political subdivision thereof.

" Personal Planning Vehicle " means, in respect of any Limited Partner, any estate, family limited liability company, family limited partnership, or inter vivos or testamentary trust that holds Units that is designated as a Personal Planning Vehicle of such Limited Partner in the books and records of the Partnership.

" Profits " and " Losses " means, for each Fiscal Year or other period, the taxable income or loss of the Partnership, or particular items thereof, determined in accordance with the accounting method used by the Partnership for U.S. federal income tax purposes with the following adjustments: (a) all items of income, gain, loss or deduction allocated pursuant to Section 5.05 shall not be taken into account in computing such taxable income or loss; (b) any income of the Partnership that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Profits and Losses shall be added to such taxable income or loss; (c) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, any gain or loss resulting from a disposition of such asset shall be calculated with reference to such Carrying Value; (d) upon an adjustment to the Carrying Value (other than an adjustment in respect of depreciation) of any asset, pursuant to the definition of Carrying Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (e) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, the amount of depreciation, amortization or cost recovery deductions with respect to such asset for purposes of determining Profits and Losses, if any, shall be an amount which bears the same ratio to such Carrying Value as the U.S. federal income tax depreciation, amortization or other cost recovery deductions bears to such adjusted tax basis (provided that if the U.S. federal income tax depreciation, amortization or other cost recovery deduction is zero, the General Partner may use any reasonable method for purposes of determining depreciation, amortization or other cost recovery deductions in calculating Profits and Losses); and (f) except for items in (a) above, any expenditures of the Partnership not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Profits and Losses pursuant to this definition shall be treated as deductible items.

" Restricted Period ," with respect to each Limited Partner that is or was an Employed Limited Partner, has the meaning set forth in such Limited Partner's Non-Competition Agreement.

" Restrictive Covenant ," with respect to each Limited Partner that is or was an Employed Limited Partner, has the meaning set forth in such Limited Partner's Non-Competition Agreement.

" Retirement " (including the term " Retire ") means retirement of an Employed Limited Partner from his or her employment with the Issuer General Partner, the Issuer, the General Partner, the Partnership or any of their subsidiaries after (a) he or she has reached age 65 and has at least five full years of service, or (b) (i) his or her age plus years of service totals at least 65, (ii) he or she has reached age 50 and (iii) he or she has had a minimum of five years of service; provided , however, that no Employed Limited Partner will be eligible to Retire prior to June 30, 2010.

" Securities Act " means the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

" Similar Law " means any law or regulation that could cause the underlying assets of the Partnership to be treated as assets of the Limited Partner by virtue of its limited partner interest in the Partnership and thereby subject the Partnership and the General Partner (or other persons responsible for the investment and operation of the Partnership's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the Code.

" Tax Advances " has the meaning set forth in Section 5.07.

" Tax Amount " has the meaning set forth in Section 4.01(b)(i).

" Tax Distributions " has the meaning set forth in Section 4.01(b)(i).

" Tax Matters Partner " has the meaning set forth in Section 5.08.

" Total Percentage Interest " means, with respect to any Partner, the quotient obtained by dividing the number of Units (vested or unvested) then owned by such Partner by the number of Units then owned by all Partners.

" Transfer " means, in respect of any Unit, property or other asset, any sale, assignment, transfer, distribution or other disposition thereof, whether voluntarily or by operation of Law, including, without limitation, the exchange of any Unit for any other security.

" Transferee " means any Person that is a transferee of a Partner's interest in the Partnership, or part thereof.

" Treasury Regulations " means the income tax regulations, including temporary regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

" Units " means the Class A Units and any other Class of Units authorized in accordance with this Agreement, which shall constitute interests in the Partnership as

provided in this Agreement and under the Act, entitling the holders thereof to the relative rights, title and interests in the profits, losses, deductions and credits of the Partnership at any particular time as set forth in this Agreement, and any and all other benefits to which a holder thereof may be entitled as a Partner as provided in this Agreement, together with the obligations of such Partner to comply with all terms and provisions of this Agreement.

" Unvested Units " means those Units listed as unvested Units in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement.

" Vested Percentage Interest " means, with respect to any Partner, the quotient obtained by dividing the number of Vested Units then owned by such Partner by the number of Vested Units then owned by all Partners.

" Vested Units " means those Units listed as vested Units in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement.

ARTICLE II

FORMATION, TERM, PURPOSE AND POWERS

SECTION 2.01. Formation . The Partnership was formed as a limited partnership under the provisions of the Act by the execution of the Original Agreement. A Declaration was filed with the Registraire des entreprises (Québec) as of August 6, 2007, in accordance with the provisions of the Act. If requested by the General Partner, the Limited Partners shall promptly execute all certificates and other documents consistent with the terms of this Agreement necessary for the General Partner to accomplish all filing, recording, publishing and other acts as may be appropriate to comply with all requirements for (a) the formation and operation of a limited partnership under the laws of the Province of Québec, (b) if the General Partner deems it advisable, the operation of the Partnership as a limited partnership, or partnership in which the Limited Partners have limited liability, in all jurisdictions where the Partnership proposes to operate and (c) all other filings required to be made by the Partnership.

SECTION 2.02. Name . The name of the Partnership shall be, and the business of the Partnership shall be conducted under the name of, Placements Blackstone III s.e.c. and, in its English version, Blackstone Holdings III L.P.

SECTION 2.03. Term . The term of the Partnership commenced on the date of the Original Agreement, and the term shall continue until the dissolution of the Partnership in accordance with Article IX. The existence of the Partnership shall continue until dissolution of the Partnership in the manner required by the Act.

SECTION 2.04. Offices . The Partnership may have offices at such places either within or outside the Province of Québec as the General Partner from time to time may select. As of the date hereof, the principal place of business and office of the Partnership is located at 345 Park Avenue, New York, New York 10154. The Québec domicile of the Partnership shall be located at 1 Place Ville Marie, 37 th Floor, Montréal, Québec, Canada H3B 3P4.

SECTION 2.05. Agent for Service of Process . The Partnership's registered agent for service of process in the Province of Québec shall be as set forth in the Declaration, or such other person as the General Partner shall designate in its sole discretion from time to time.

SECTION 2.06. Business Purpose . The Partnership was formed for the object and purpose of, and the nature and character of the business to be conducted by the Partnership is, engaging in any lawful act or activity for which limited partnerships may be formed under the Act.

SECTION 2.07. Powers of the Partnership . Subject to the limitations set forth in this Agreement, the Partnership will possess and may exercise all of the powers and privileges granted to it by the Act including, without limitation, the ownership and operation of the assets contributed to the Partnership by the Partners, by any other Law or this Agreement, together with all powers incidental thereto, so far as such powers are necessary or convenient to the conduct, promotion or attainment of the purpose of the Partnership set forth in Section 2.06.

SECTION 2.08. Partners; Admission of New Partners . Each of the Persons listed in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement, by virtue of the execution of this Agreement, are admitted as Partners of the Partnership. The rights, duties and liabilities of the Partners shall be as provided in the Act, except as is otherwise expressly provided herein, and the Partners consent to the variation of such rights, duties and liabilities as provided herein. A Person may be admitted from time to time as a new Partner in accordance with Section 8.10; provided , however, that each new Partner shall execute and deliver to the General Partner an appropriate supplement to this Agreement pursuant to which the new Partner agrees to be bound by the terms and conditions of the Agreement, as it may be amended from time to time.

SECTION 2.09. Withdrawal . No Partner shall have the right to withdraw as a Partner of the Partnership other than following the Transfer of all Units owned by such Partner in accordance with Article VIII; provided , however, that a new General Partner or substitute General Partner may be admitted to the Partnership in accordance with Section 8.09.

ARTICLE III
MANAGEMENT

SECTION 3.01. General Partner . (a) The business, property and affairs of the Partnership shall be managed under the sole, absolute and exclusive direction of the General Partner, which may from time to time delegate authority to officers or to others to act on behalf of the Partnership.

(b) Without limiting the foregoing provisions of this Section 3.01, the General Partner shall have the general power to manage or cause the management of the Partnership (which may be delegated to officers of the Partnership), including, without limitation, the following powers:

(i) to develop and prepare a business plan each year which will set forth the operating goals and plans for the Partnership;

(ii) to execute and deliver or to authorize the execution and delivery of contracts, deeds, leases, licenses, instruments of transfer and other documents on behalf of the Partnership;

(iii) the making of any expenditures, the lending or borrowing of money, the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness and the incurring of any other obligations;

(iv) to employ, retain, consult with and dismiss personnel;

(v) to establish and enforce limits of authority and internal controls with respect to all personnel and functions;

(vi) to engage attorneys, consultants and accountants for the Partnership;

(vii) to develop or cause to be developed accounting procedures for the maintenance of the Partnership's books of account; and

(viii) to do all such other acts as shall be authorized in this Agreement or by the Partners in writing from time to time.

SECTION 3.02. Compensation . The General Partner shall not be entitled to any compensation for services rendered to the Partnership in its capacity as General Partner.

SECTION 3.03. Expenses . The Partnership shall bear and/or reimburse the General Partner for any expenses incurred by the General Partner in connection with serving as the general partner of the Partnership.

SECTION 3.04. Officers . Subject to the direction and oversight of the General Partner, the day-to-day administration of the business of the Partnership may be carried out by employees and agents who may be designated as officers by the General Partner, with titles including but not limited to "chief executive officer," "chief financial officer," "chief legal officer," "chief administrative officer," "chief compliance officer," "principal accounting officer," "chairman," "senior chairman," "vice chairman," "president," "vice president," "treasurer," "assistant treasurer," "secretary," "assistant secretary," "general manager," "senior managing director," "managing director" and "director," as and to the extent authorized by the General Partner. The officers of the Partnership shall have such titles and powers and perform such duties as shall be determined from time to time by the General Partner and otherwise as shall customarily pertain to such offices. Any number of offices may be held by the same person. All employees, agents and officers shall be subject to the supervision and direction of the General Partner and may be removed from such office by the General Partner and the authority, duties or responsibilities of any employee, agent or officer of the Partnership may be suspended by the General Partner from time to time, in each case in the sole discretion of the General Partner. The General Partner shall not cease to be a general partner of the Partnership as a result of the delegation of any duties hereunder. No officer of the Partnership, in its capacity as such, shall be considered a general partner of the Partnership by agreement, estoppel, as a result of the performance of its duties hereunder or otherwise.

SECTION 3.05. Authority of Partners . Other than exercising a Limited Partner's rights and powers as a Limited Partner, as contemplated in the Act, no Limited Partner, in its capacity as such, shall participate in or have any control over the business of the Partnership. Except as expressly provided herein, the Units do not confer any rights upon the Limited Partners to participate in the affairs of the Partnership described in this Agreement. Except as expressly provided herein, the Limited Partners shall have no right to vote on any matter involving the Partnership, including with respect to any merger, consolidation, combination or conversion of the Partnership. The conduct, control and management of the Partnership shall be vested exclusively in the General Partner. In all matters relating to or arising out of the conduct of the operation of the Partnership, the decision of the General Partner shall be the decision of the Partnership. Except as required or permitted by Law, or expressly provided in the ultimate sentence of this Section 3.05 or by separate agreement with the Partnership, no Partner who is not also a General Partner (and acting in such capacity) shall take any part in the management or control of the operation or business of the Partnership in its capacity as a Partner, nor shall any Partner who is not also a General Partner (and acting in such capacity) have any right, authority or power to act for or on behalf of or bind the Partnership in his or its capacity as a Partner in any respect or assume any obligation or responsibility of the Partnership or of any other Partner. Notwithstanding the foregoing, the Partnership may employ one or more Partners from time to time, and such Partners, in their capacity as employees of the Partnership (and not, for clarity, in their capacity as Limited Partners of the Partnership), may take part in the control and management of the business of the Partnership to the extent such authority and power to act for or on behalf of the Partnership has been delegated to them by the General Partner.

SECTION 3.06. Action by Written Consent or Ratification . Any action required or permitted to be taken by the Partners pursuant to this Agreement shall be taken if all Partners whose consent or ratification is required consent thereto or provide a ratification in writing.

ARTICLE IV

DISTRIBUTIONS

SECTION 4.01. Distributions . (a) The General Partner, in its sole discretion, may authorize distributions by the Partnership to the Partners, which distributions shall be made *pro rata* in accordance with the Partners' respective Total Percentage Interests. Notwithstanding the foregoing, any distributions in respect of income of the Partnership earned on or prior to December 31, 2009 shall be made each Fiscal Year (A) first, to the General Partner until sufficient distributions from the Partnership, together with distributions from the other Blackstone Holdings Partnerships to their respective general partners, have been so allocated to permit the Issuer to make aggregate distributions to holders of Common Units of US$1.20 per Common Unit on an annualized basis for such Fiscal Year; (B) second, to the Limited Partners until an amount of distributions (on a per Unit basis) equivalent to the distributions to the General Partner under clause (A) of this Section 4.01 has been distributed in respect of each Limited Partners' respective Total Percentage Interests for such Fiscal Year; and (C) third, *pro rata* in accordance with the Partners' respective Total Percentage Interests.

(b) (i) In addition to the foregoing, if the General Partner reasonably determines that the taxable income of the Partnership for a Fiscal Year will give rise to taxable income for the Partners (" Net Taxable Income "), the General Partner shall cause the Partnership to distribute Available Cash in respect of income tax liabilities (the " Tax Distributions ") to the extent that other distributions made by the Partnership for such year were otherwise insufficient to cover such tax liabilities. The Tax Distributions payable with respect to any Fiscal Year shall be computed based upon the General Partner's estimate of the allocable Net Taxable Income in accordance with Article V, multiplied by the Assumed Tax Rate (the " Tax Amount "). For purposes of computing the Tax Amount, the effect of any benefit under Section 743(b) of the Code will be ignored.

(ii) Tax Distributions shall be calculated and paid no later than one day prior to each quarterly due date for the payment by corporations on a calendar year of estimated taxes under the Code in the following manner (A) for the first quarterly period, 25% of the Tax Amount, (B) for the second quarterly period, 50% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year, (C) for the third quarterly period, 75% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year and (D) for the fourth quarterly period, 100% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year. Following each Fiscal Year, and no later than one day prior to the due date for the payment by corporations of income taxes for such Fiscal Year, the General Partner shall make an amended calculation of the Tax Amount for such Fiscal Year (the " Amended Tax Amount "), and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Amended Tax Amount so calculated exceeds the cumulative Tax Distributions previously made by the Partnership in respect of such Fiscal Year. If the Amended Tax Amount is less than the cumulative Tax Distributions previously made by the Partnership in respect of the relevant Fiscal Year, then the difference (the " Credit Amount ") shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Within 30 days following the date on which the Partnership files a tax return on Form 1065, the General Partner shall make a final calculation of the Tax Amount of such Fiscal Year (the " Final Tax Amount ") and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Final Tax Amount so calculated exceeds the Amended Tax Amount. If the Final Tax Amount is less than the Amended Tax Amount in respect of the relevant Fiscal Year, then the difference (" Additional Credit Amount ") shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Any Credit Amount and Additional Credit Amount applied against future Tax Distributions shall be treated as an amount actually distributed pursuant to this Section 4.01(b) for purposes of the computations herein.

SECTION 4.02. Liquidation Distribution . Distributions made upon dissolution of the Partnership shall be made as provided in Section 9.03.

SECTION 4.03. Limitations on Distribution . Notwithstanding any provision to the contrary contained in this Agreement, the General Partner shall not make a Partnership distribution to any Partner if such distribution would violate Article 2242 of the Civil Code or any other applicable provision of the Act or other applicable Law.

ARTICLE V

CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS;
TAX ALLOCATIONS; TAX MATTERS

SECTION 5.01. Formation and Transferred Interest Capital Contributions . (a) Existing Holdings III has made, on or prior to the date hereof, an initial Capital Contribution of U.S. $1.00 (the "Initial Capital Contribution"). In addition, Existing Holdings III has made, on or prior to the date hereof, a Capital Contribution of the Transferred Interests and, in exchange, the Partnership has issued to Existing Holdings III the number of Class A Units as specified in the books and records of the Partnership, which Class A Units Existing Holdings III has thereupon immediately distributed to the General Partner and the Limited Partners as specified in the books and records of the Partnership.

(b) Upon the distribution of Class A Units to the Partners as described above in Section 5.01(a), Existing Holdings III withdrew from being a partner of the Partnership and as a result shall have no further right, interest or obligation of any kind whatsoever as a limited partner of the Partnership and the Initial Capital Contribution of Existing Holdings III has been returned to it on the date of such withdrawal.

SECTION 5.02. No Additional Capital Contributions . Except as otherwise provided in this Article V, no Partner shall be required to make additional Capital Contributions to the Partnership without the consent of such Partner or permitted to make additional capital contributions to the Partnership without the consent of the General Partner.

SECTION 5.03. Capital Accounts . A separate capital account (a " Capital Account ") shall be established and maintained for each Partner in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv). The Capital Account of each Partner shall be credited with such Partner's Capital Contributions, if any, all Profits allocated to such Partner pursuant to Section 5.04 and any items of income or gain which are specially allocated pursuant to Section 5.05; and shall be debited with all Losses allocated to such Partner pursuant to Section 5.04, any items of loss or deduction of the Partnership specially allocated to such Partner pursuant to Section 5.05, and all cash and the Carrying Value of any property (net of liabilities assumed by such Partner and the liabilities to which such property is subject) distributed by the Partnership to such Partner. Any references in any section of this Agreement to the Capital Account of a Partner shall be deemed to refer to such Capital Account as the same may be credited or debited from time to time as set forth above. In the event of any transfer of any interest in the Partnership in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

SECTION 5.04. Allocations of Profits and Losses . Except as otherwise provided in this Agreement, Profits and Losses (and, to the extent necessary, individual items of income, gain or loss or deduction of the Partnership) shall be allocated in a manner such that the Capital Account of each Partner after giving effect to the Special Allocations set forth in Section 5.05 is, as nearly as possible, equal (proportionately) to (i) the distributions that would be made pursuant to Article IV if the Partnership were dissolved, its affairs wound up and its assets sold for cash equal to their Carrying Value, all Partnership liabilities were satisfied (limited with respect to each

non-recourse liability to the Carrying Value of the assets securing such liability) and the net assets of the Partnership were distributed to the Partners pursuant to this Agreement, minus (ii) such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, computed immediately prior to the hypothetical sale of assets. For purposes of this Article V, each Unvested Unit shall be treated as a Vested Unit. Notwithstanding the foregoing, the General Partner shall make such adjustments to Capital Accounts as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a partner's interest in the Partnership.

SECTION 5.05. Special Allocations . Notwithstanding any other provision in this Article V:

(a) Minimum Gain Chargeback . If there is a net decrease in Partnership Minimum Gain or Partner Nonrecourse Debt Minimum Gain (determined in accordance with the principles of Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any Partnership taxable year, the Partners shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to their respective shares of such net decrease during such year, determined pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Treasury Regulations Section 1.704-2(f). This Section 5.05(a) is intended to comply with the minimum gain chargeback requirements in such Treasury Regulations Sections and shall be interpreted consistently therewith; including that no chargeback shall be required to the extent of the exceptions provided in Treasury Regulations Sections 1.704-2(f) and 1.704-2(i)(4).

(b) Qualified Income Offset . If any Partner unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Partnership income and gain shall be specially allocated to such Partner in an amount and manner sufficient to eliminate the deficit balance in such Partner's Adjusted Capital Account Balance created by such adjustments, allocations or distributions as promptly as possible; provided that an allocation pursuant to this Section 5.05(b) shall be made only to the extent that a Partner would have a deficit Adjusted Capital Account Balance in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if this Section 5.05(b) were not in this Agreement. This Section 5.05(b) is intended to comply with the "qualified income offset" requirement of the Code and shall be interpreted consistently therewith.

(c) Gross Income Allocation . If any Partner has a deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of (i) the amount such Partner is obligated to restore, if any, pursuant to any provision of this Agreement, and (ii) the amount such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Section 1.704-2(g)(1) and 1.704-2(i)(5), each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible; provided that an allocation pursuant to this Section 5.05(c) shall be made only if and to the extent that a Partner would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if Section 5.05(b) and this Section 5.05(c) were not in this Agreement.

(d) Nonrecourse Deductions . Nonrecourse Deductions shall be allocated to the Partners in accordance with their respective Total Percentage Interests.

(e) Partner Nonrecourse Deductions . Partner Nonrecourse Deductions for any taxable period shall be allocated to the Partner who bears the economic risk of loss with respect to the liability to which such Partner Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(j).

(f) Creditable Non-U.S. Taxes . Creditable Non-U.S. Taxes for any taxable period attributable to the Partnership, or an entity owned directly or indirectly by the Partnership, shall be allocated to the Partners in proportion to the partners' distributive shares of income (including income allocated pursuant to Section 704(c) of the Code) to which the Creditable Non-U.S. Tax relates (under principles of Treasury Regulations Section 1.904-6). The provisions of this Section 5.05(f) are intended to comply with the provisions of Temporary Treasury Regulations Section 1.704-1T(b)(4)(xi), and shall be interpreted consistently therewith.

(g) Ameliorative Allocations . Any special allocations of income or gain pursuant to Sections 5.05(b) or 5.05(c) hereof shall be taken into account in computing subsequent allocations pursuant to Section 5.04 and this Section 5.05(g), so that the net amount of any items so allocated and all other items allocated to each Partner shall, to the extent possible, be equal to the net amount that would have been allocated to each Partner if such allocations pursuant to Sections 5.05(b) or 5.05(c) had not occurred.

SECTION 5.06. Tax Allocations . For income tax purposes, each item of income, gain, loss and deduction of the Partnership shall be allocated among the Partners in the same manner as the corresponding items of Profits and Losses and specially allocated items are allocated for Capital Account purposes; provided that in the case of any asset the Carrying Value of which differs from its adjusted tax basis for U.S. federal income tax purposes, income, gain, loss and deduction with respect to such asset shall be allocated solely for income tax purposes in accordance with the principles of Sections 704(b) and (c) of the Code (in any manner determined by the General Partner and permitted by the Code and Treasury Regulations) so as to take account of the difference between Carrying Value and adjusted basis of such asset. Notwithstanding the foregoing, the General Partner shall make such allocations for tax purposes as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a partner's interest in the Partnership.

SECTION 5.07. Tax Advances . To the extent the General Partner reasonably believes that the Partnership is required by law to withhold or to make tax payments on behalf of or with respect to any Partner or the Partnership is subjected to tax itself by reason of the status of any Partner (" Tax Advances "), the General Partner may withhold such amounts and make such tax payments as so required. All Tax Advances made on behalf of a Partner shall be repaid by reducing the amount of the current or next succeeding distribution or distributions which would otherwise have been made to such Partner or, if such distributions are not sufficient for that purpose, by so reducing the proceeds of liquidation otherwise payable to such Partner. For all purposes of this Agreement such Partner shall be treated as having received the amount of the distribution that is equal to the Tax Advance. Each Partner hereby agrees to indemnify and hold harmless the Partnership and the other Partners from and against any liability (including, without limitation, any liability for taxes, penalties, additions to tax or interest other than any penalties, additions to tax or interest imposed as a result of the Partnership's failure to withhold or make a tax payment on behalf of such Partner which withholding or payment is required pursuant to applicable

Law but only to the extent amounts sufficient to pay such taxes were not timely distributed to the Partner pursuant to Section 4.01(b)) with respect to income attributable to or distributions or other payments to such Partner.

SECTION 5.08. Tax Matters . The General Partner shall be the initial "tax matters partner" within the meaning of Section 6231(a)(7) of the Code (the " Tax Matters Partner "). The Partnership shall file as a partnership for federal, state, provincial and local income tax purposes, except where otherwise required by Law. All elections required or permitted to be made by the Partnership, and all other tax decisions and determinations relating to federal, state, provincial or local tax matters of the Partnership, shall be made by the Tax Matters Partner, in consultation with the Partnership's attorneys and/or accountants. Tax audits, controversies and litigations shall be conducted under the direction of the Tax Matters Partner. The Tax Matters Partner shall keep the other Partners reasonably informed as to any tax actions, examinations or proceedings relating to the Partnership and shall submit to the other Partners, for their review and comment, any settlement or compromise offer with respect to any disputed item of income, gain, loss, deduction or credit of the Partnership. As soon as reasonably practicable after the end of each Fiscal Year, the Partnership shall send to each Partner a copy of U.S. Internal Revenue Service Schedule K-1, and any comparable statements required by applicable U.S. state or local income tax Law as a result of the Partnership's activities or investments, with respect to such Fiscal Year. The Partnership also shall provide the Partners with such other information as may be reasonably requested for purposes of allowing the Partners to prepare and file their own tax returns.

SECTION 5.09. Other Allocation Provisions . Certain of the foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such regulations. Sections 5.03, 5.04 and 5.05 may be amended at any time by the General Partner if necessary, in the opinion of tax counsel to the Partnership, to comply with such regulations or any applicable Law, so long as any such amendment does not materially change the relative economic interests of the Partners.

ARTICLE VI

BOOKS AND RECORDS; REPORTS

SECTION 6.01. Books and Records . (a) At all times during the continuance of the Partnership, the Partnership shall prepare and maintain separate books of account for the Partnership in accordance with GAAP.

(b) Except as limited by Section 6.01(c), each Limited Partner shall have the right to receive, for a purpose reasonably related to such Limited Partner's interest as a Limited Partner in the Partnership, upon reasonable written demand stating the purpose of such demand and at such Limited Partner's own expense:

(i) a copy of the Declaration and this Agreement and all amendments thereto, together with a copy of the executed copies of all powers of attorney pursuant to which the Declaration and this Agreement and all amendments thereto have been executed; and

(ii) promptly after their becoming available, copies of the Partnership's federal, state and local income tax returns and reports, if any, for the three most recent years.

(c) The General Partner may keep confidential from the Limited Partners, for such period of time as the General Partner determines in its sole discretion, (i) any information that the General Partner reasonably believes to be in the nature of trade secrets or (ii) other information the disclosure of which the General Partner believes is not in the best interests of the Partnership, could damage the Partnership or its business or that the Partnership is required by law or by agreement with any third party to keep confidential.

ARTICLE VII

PARTNERSHIP UNITS

SECTION 7.01. Units . Interests in the Partnership shall be represented by Units. The Units initially are comprised of one Class: Class A Units. The General Partner may establish, from time to time in accordance with such procedures as the General Partner shall determine from time to time, other Classes, one or more series of any such Classes, or other Partnership securities with such designations, preferences, rights, powers and duties (which may be senior to existing Classes and series of Units or other Partnership securities), as shall be determined by the General Partner, including (i) the right to share in Profits and Losses or items thereof; (ii) the right to share in Partnership distributions; (iii) the rights upon dissolution and liquidation of the Partnership; (iv) whether, and the terms and conditions upon which, the Partnership may or shall be required to redeem the Units or other Partnership securities (including sinking fund provisions); (v) whether such Unit or other Partnership security is issued with the privilege of conversion or exchange and, if so, the terms and conditions of such conversion or exchange; (vi) the terms and conditions upon which each Unit or other Partnership security will be issued, evidenced by certificates and assigned or transferred; (vii) the method for determining the Total Percentage Interest as to such Units or other Partnership securities; and (viii) the right, if any, of the holder of each such Unit or other Partnership security to vote on Partnership matters, including matters relating to the relative designations, preferences, rights, powers and duties of such Units or other Partnership securities. Except as expressly provided in this Agreement to the contrary, any reference to "Units" shall include the Class A Units and any other Classes that may be established in accordance with this Agreement. All Units of a particular Class shall have identical rights in all respects as all other Units of such Class, except in each case as otherwise specified in this Agreement.

SECTION 7.02. Register . The register of the Partnership shall be the definitive record of ownership of each Unit and all relevant information with respect to each Partner. Such register shall be kept at its registered office and the General Partner shall make changes to the register of the Partnership to reflect any change in relation thereto, such register remaining the definite record of ownership of each Unit and all relevant information with respect to each Partner. Unless the General Partner shall determine otherwise, Units shall be uncertificated and recorded in the books and records of the Partnership.

SECTION 7.03. Registered Partners . The Partnership shall be entitled to recognize the exclusive right of a Person registered on its records as the owner of Units for all purposes and shall not be bound to recognize any equitable or other claim to or interest in Units on the part of any other Person, whether or not it shall have express or other notice thereof, except as otherwise provided by the Act or other applicable Law.

ARTICLE VIII

VESTING; FORFEITURE OF INTERESTS; TRANSFER RESTRICTIONS

SECTION 8.01. Vesting of Initial Unvested Units . (a) Subject to Section 8.02 and except as set forth in Section 8.01(b) or as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, the Initial Unvested Units shall vest and shall thereafter be Vested Units for all purposes of this Agreement as follows:

(i) with respect to each Category 1 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 25% installments on each of the first, second, third and fourth anniversary dates of the consummation of the IPO;

(ii) with respect to each Category 3 Limited Partner and Category 4 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 20% installments on each of the first, second, third, fourth and fifth anniversary dates of the consummation of the IPO; and

(iii) with respect to each Category 5 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 12.5% installments on each of the first, second, third, fourth, fifth, sixth, seventh and eighth anniversary dates of the consummation of the IPO.

(b) Notwithstanding Section 8.01(a), if earlier, the Initial Unvested Units shall vest and shall thereafter be Vested Units for all purposes of this Agreement as follows: (i) upon the Retirement of an Employed Limited Partner, 50% of the Initial Unvested Units owned by such Limited Partner that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement; (ii) upon the death or Disability of an Employed Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement; and (iii) upon the occurrence of a Change in Control, 100% of the Initial Unvested Units that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement.

(c) In addition, the General Partner in its sole discretion may authorize the earlier vesting of all or a portion of the Initial Unvested Units owned by any one or more Limited Partners at any time and from time to time, and in such event, such Initial Unvested Units shall vest and thereafter be Vested Units for all purposes of this Agreement. Any such determination in the General Partner's discretion in respect of Initial Unvested Units shall be final and binding. Such determinations need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise.

(d) Upon the vesting of any Initial Unvested Units in accordance with this Section 8.01, the General Partner shall modify the books and records of the Partnership to reflect such vesting.

SECTION 8.02. Forfeiture of Units Held by Initial Limited Partners . (a) Other than as set forth in Section 8.01(b) and except as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, if a Limited Partner ceases to be an Employed Limited Partner for any reason, such Limited Partner's Unvested Units shall be immediately forfeited without any consideration, and such Limited Partner shall cease to own or have any rights with respect to such Unvested Units; provided , however, that if a Limited Partner ceases to be an Employed Limited Partner after June 30, 2010 in order to become a Government Official, such Limited Partner's Unvested Units shall continue to vest as set forth in Section 8.01 until such Limited Partner ceases to be a Government Official for any reason, at which point such Limited Partner's Unvested Units shall be immediately forfeited without any consideration (unless such Limited Partner becomes an Employed Limited Partner immediately after such Limited Partner ceases to be such a Government Official, in which case such Limited Partner's Unvested Units shall continue to vest as set forth in Section 8.01) and such Limited Partner shall cease to own or have any rights with respect to such Unvested Units. Immediately upon the forfeiture of any Initial Unvested Units, such Unvested Units that have been so forfeited shall be cancelled.

(b) Except as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, (i) if a Limited Partner that is or was at any time an Employed Limited Partner breaches any Restrictive Covenant to which such Limited Partner is subject or (ii) if an Employed Limited Partner is terminated for Cause, the Initial Units held by such Limited Partner or such Limited Partner's Personal Planning Vehicle at that time (whether or not vested) shall be immediately forfeited without any consideration, and such Limited Partner shall cease to own or have any rights with respect to such Initial Units; provided , however, that Initial Units held by a Personal Planning Vehicle of a Category 1 Limited Partner created prior to the date of this Agreement are not subject to forfeiture. Immediately upon the forfeiture of any Initial Units, such Initial Units that have been so forfeited shall be cancelled.

(c) Upon the forfeiture of any Unvested Units in accordance with this Section 8.02, the General Partner shall modify the books and records of the Partnership to reflect such forfeiture.

SECTION 8.03. Limited Partner Transfers . (a) Except as provided in clauses (b), (c), (d) and (f) of this Section 8.03, no Limited Partner or Assignee thereof may Transfer (including by exchanging in an Exchange Transaction) all or any portion of its Units or other interest in the Partnership (or beneficial interest therein) without the prior consent of the General Partner, which consent may be given or withheld, or made subject to such conditions (including, without limitation, the receipt of such legal opinions and other documents that the General Partner may require) as are determined by the General Partner, in each case in the General Partner's sole discretion. Any such determination in the General Partner's discretion in respect of Units shall be

final and binding. Such determinations need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise. Any purported Transfer of Units that is not in accordance with, or subsequently violates, this Agreement shall be, to the fullest extent permitted by law, null and void.

(b) Notwithstanding clause (a) above, except as provided in or pursuant to clauses (b), (c), (d), (e) and (f) below and subject to Section 8.04, (i) each Limited Partner other than a Category 2 Limited Partner may exchange in an Exchange Transaction (x) up to 33 1/3% of the Initial Vested Units owned by such Limited Partner on the first anniversary of the consummation of the IPO at any time and from time to time following the first anniversary of the consummation of the IPO; (y) up to 66 2/3% of the Initial Vested Units owned by such Limited Partner on the second anniversary of the consummation of the IPO less any Initial Vested Units Transferred pursuant to clause (i) at any time and from time to time following the second anniversary of the consummation of the IPO; and (z) up to 100% of the Initial Vested Units owned by such Limited Partner at any time and from time to time following the third anniversary of the consummation of the IPO; and (ii) each Category 2 Limited Partner may exchange in an Exchange Transaction (x) up to 33 1/3% of the Initial Vested Units owned by such Limited Partner on December 31, 2008 at any time and from time to time following December 31, 2008; (y) up to 66 2/3% of the Initial Vested Units owned by such Limited Partner on December 31, 2009 less any Initial Vested Units Transferred pursuant to clause (i) at any time and from time to time following December 31, 2009; and (z) up to 100% of the Initial Vested Units owned by such Limited Partner at any time and from time to time following December 31, 2010; provided in each case that any Initial Units owned by a Personal Planning Vehicle of a Limited Partner shall be aggregated with the Initial Units owned by such Limited Partner for purposes of calculating the limitation set forth in this Section 8.03(b); and provided further in each case that Unvested Units may not by Transferred at any time.

(c) Notwithstanding clauses (a) or (b) above, with the prior consent of the General Partner, (i) the Category 1 Limited Partners may make one or more gratuitous Transfers (including by exchanging in an Exchange Transaction) to any Charity at any time and from time to time up to a number of Initial Vested Units owned by such Limited Partners that is equal to the quotient of $250 million divided by the offering price per Common Unit in the IPO for the purpose of making gratuitous transfers to any Charity.

(d) Notwithstanding clauses (a) or (b) above, if earlier: (i) upon the death or Disability of an Employed Limited Partner, such Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; (ii) other than with respect to a Category 1 Limited Partner, following an Employed Limited Partner's termination of employment and after the earlier to occur of (A) one year from the date of termination of employment or (B) the expiration of the longest applicable Restricted Period with respect to such Employed Limited Partner, such Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; (iii) following Mr. Stephen A. Schwarzman's termination of employment, any Category 1 Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; and (iv) upon the occurrence of a Change in Control, any Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; provided that in each case Unvested Units may not by Transferred at any time.

(e) Notwithstanding anything to the contrary herein, other than pursuant to Section 8.03(f), no (i) Limited Partner that is or was a senior managing director of any of the Blackstone Holdings Partnerships or their subsidiaries nor any Personal Planning Vehicle of such Limited Partner or (ii) any Category 6 Limited Partner may effect an Exchange Transaction and/or Transfer any Common Units at any time prior to December 31, 2009 other than pursuant to transactions or programs approved by the General Partner in its sole discretion. Any such determinations by the General Partner need not be uniform and may be made selectively among any such Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise.

(f) Notwithstanding clauses (a), (b), (c), (d) and (e) above, a Personal Planning Vehicle of a Limited Partner may Transfer Class A Units (i) to the donor thereof or to the spouse of the donor thereof; (ii) if the Personal Planning Vehicle is a grantor retained annuity trust and the trustee(s) of such grantor retained annuity trust is obligated to make one or more distributions to the donor of the grantor retained annuity trust, the estate of the donor of the grantor retained annuity trust, the spouse of the donor of the grantor retained annuity trust or the estate of the spouse of the donor of the grantor retained annuity trust, to any such Persons; or (iii) upon the death of such Limited Partner, to the spouse of such Limited Partner or a trust for which a deduction under Section 2056 or 2056A (or any successor provisions) of the Code may be sought.

SECTION 8.04. Minimum Retained Ownership Requirement . (a) Other than the Category 1 Limited Partners, the Category 2 Limited Partners and the Category 6 Limited Partner and unless otherwise permitted by the General Partner in its sole discretion, each Limited Partner that is or was at any time an Employed Limited Partner other than a Personal Planning Vehicle shall, until the first anniversary of such Employed Limited Partner's termination of employment, continue to hold (and may not Transfer) at least 25% of all Initial Vested Units received collectively by such Employed Limited Partner and by any Personal Planning Vehicle of such Employed Limited Partner (the " Minimum Retained Ownership Requirement "); and provided that upon the Retirement of an Employed Limited Partner, such Limited Partner shall be subject to a Minimum Retained Ownership Requirement of 12.5% instead of 25%. For purposes of this paragraph (a), (i) Units held by a Personal Planning Vehicle of a Limited Partner (other than the portion of the Units received by a Personal Planning Vehicle created prior to the date of this Agreement identified in the books and records of the Partnership as "Non-Minimum Retained Ownership Requirement Units") shall be deemed held by such Limited Partner for purposes of calculating the number of Initial Vested Units received by such Limited Partner and (ii) any Units held by a Personal Planning Vehicle of a Limited Partner shall not be deemed to be held by such Limited Partner for purposes of calculating whether the relevant percentage of Initial Vested Units held satisfies the Minimum Retained Ownership Requirement set forth in this Section 8.04(a).

(b) Unless otherwise approved by the General Partner in its sole discretion, each Category 1 Limited Partner other than a Personal Planning Vehicle shall, until Mr. Stephen A. Schwarzman's termination of employment, continue to hold (and may not Transfer) the lesser of (i) at least 25% of all Initial Vested Units received collectively by the Category 1 Limited Partners and (ii) a number of Initial Units that is equal to the quotient of $1.5 billion divided by the Last

Reported Sale Price per Common Unit from time to time. For purposes of this paragraph (b), (i) Units held by a Personal Planning Vehicle of a Category 1 Limited Partner (other than the portion of the Units received by a Personal Planning Vehicle created prior to the date of this Agreement identified in the books and records of the Partnership as "Non-Minimum Retained Ownership Requirement Units") shall be deemed held by such Category 1 Limited Partner for purposes of calculating the number of Initial Vested Units received by such Category 1 Limited Partner and (ii) any Units held by a Personal Planning Vehicle of a Category 1 Limited Partner shall not be deemed to be held by such Category 1 Limited Partner for purposes of calculating whether the relevant percentage of Initial Vested Units held satisfies the Minimum Retained Ownership Requirement set forth in this Section 8.04(b).

SECTION 8.05. Mandatory Exchanges . The General Partner may in its sole discretion at any time and from time to time, without the consent of any Limited Partner, require any Limited Partner other than an Employed Limited Partner to Transfer in an Exchange Transaction all Units held by such Limited Partner. Any such determinations by the General Partner need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated. In addition, the General Partner may, with the consent of Partners whose Vested Percentage Interests exceed 75% of the Vested Percentage Interests of all Partners in the aggregate, require all Limited Partners to Transfer in an Exchange Transaction all Units held by them.

SECTION 8.06. Encumbrances . No Limited Partner or Assignee may create an Encumbrance with respect to all or any portion of its Units (or any beneficial interest therein) other than Encumbrances that run in favor of the Limited Partner unless the General Partner consents in writing thereto, which consent may be given or withheld, or made subject to such conditions as are determined by the General Partner, in the General Partner's sole discretion. Consent of the General Partner shall be withheld until the holder of the Encumbrance acknowledges the terms and conditions of this Agreement. Any purported Encumbrance that is not in accordance with this Agreement shall be, to the fullest extent permitted by law, null and void.

SECTION 8.07. Further Restrictions . Notwithstanding any contrary provision in this Agreement, in no event may any Transfer of a Unit be made by any Limited Partner or Assignee if:

(a) such Transfer is made to any Person who lacks the legal right, power or capacity to own such Unit;

(b) such Transfer would require the registration of such transferred Unit or of any Class of Unit pursuant to any applicable United States federal or state securities laws (including, without limitation, the Securities Act or the Exchange Act) or other non-U.S securities laws (including Canadian provincial or territorial securities laws) or would constitute a non-exempt distribution pursuant to applicable provincial or state securities laws;

(c) such Transfer would cause (i) all or any portion of the assets of the Partnership to (A) constitute "plan assets" (under ERISA, the Code or any applicable Similar Law) of any existing or contemplated Limited Partner, or (B) be subject to the

provisions of ERISA, Section 4975 of the Code or any applicable Similar Law, or (ii) the General Partner to become a fiduciary with respect to any existing or contemplated Limited Partner, pursuant to ERISA, any applicable Similar Law, or otherwise;

(d) to the extent requested by the General Partner, the Partnership does not receive such legal and/or tax opinions and written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as an Assignee) that are in a form satisfactory to the General Partner, as determined in the General Partner's sole discretion.

SECTION 8.08. Rights of Assignees . Subject to Section 8.07, the transferee of any permitted Transfer pursuant to this Article VIII will be an assignee only (" Assignee "), and only will receive, to the extent transferred, the distributions and allocations of income, gain, loss, deduction, credit or similar item to which the Partner which transferred its Units would be entitled, and such Assignee will not be entitled or enabled to exercise any other rights or powers of a Partner, such other rights, and all obligations relating to, or in connection with, such Interest remaining with the transferring Partner. The transferring Partner will remain a Partner even if it has transferred all of its Units to one or more Assignees until such time as the Assignee(s) is admitted to the Partnership as a Partner pursuant to Section 8.10.

SECTION 8.09. Admissions, Withdrawals and Removals . (a) No Person may be admitted to the Partnership as an additional General Partner or substitute General Partner without the prior written consent or ratification of Partners whose Vested Percentage Interests exceed 50% of the Vested Percentage Interests of all Partners in the aggregate. A General Partner will not be entitled to Transfer all of its Units or to withdraw from being a General Partner of the Partnership unless another General Partner shall have been admitted hereunder (and not have previously been removed or withdrawn).

(b) No Limited Partner will be removed or entitled to withdraw from being a Partner of the Partnership except in accordance with Section 8.11 hereof.

(c) Except as otherwise provided in Article IX or the Act, no admission, substitution, withdrawal or removal of a Partner will cause the dissolution of the Partnership. To the fullest extent permitted by law, any purported admission, withdrawal or removal that is not in accordance with this Agreement shall be null and void.

SECTION 8.10. Admission of Assignees as Substitute Limited Partners . An Assignee will become a substitute Limited Partner only if and when each of the following conditions is satisfied:

(a) the General Partner consents in writing to such admission, which consent may be given or withheld, or made subject to such conditions as are determined by the General Partner, in each case in the General Partner's sole discretion;

(b) if required by the General Partner, the General Partner receives written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as a substitute Limited Partner) that are in a form satisfactory to the General Partner (as determined in its sole discretion);

(c) if required by the General Partner, the General Partner receives an opinion of counsel satisfactory to the General Partner to the effect that such Transfer is in compliance with this Agreement and all applicable Law; and

(d) if required by the General Partner, the parties to the Transfer, or any one of them, pays all of the Partnership's reasonable expenses connected with such Transfer (including, but not limited to, the reasonable legal and accounting fees of the Partnership).

SECTION 8.11. Withdrawal and Removal of Limited Partners . If a Limited Partner ceases to hold any Units, then such Limited Partner shall withdraw from the Partnership and shall cease to be a Limited Partner and to have the power to exercise any rights or powers of a Limited Partner.

ARTICLE IX

DISSOLUTION, LIQUIDATION AND TERMINATION

SECTION 9.01. No Dissolution . Except as required by the Act, Partnership shall not be dissolved by the admission of additional Partners or withdrawal of Partners in accordance with the terms of this Agreement. The Partnership may be dissolved, liquidated wound up and terminated only pursuant to the provisions of this Article IX, and the Partners hereby irrevocably waive any and all other rights they may have to cause a dissolution of the Partnership or a sale or partition of any or all of the Partnership assets.

SECTION 9.02. Events Causing Dissolution . The Partnership shall be dissolved and its affairs shall be wound up upon the occurrence of any of the following events (each, a " Dissolution Event "):

(a) the rendering of a judicial judgment ordering the dissolution of the Partnership under the Act upon the finding by a court of competent jurisdiction that the General Partner (i) is permanently incapable of performing its part of this Agreement, (ii) has been guilty of conduct that is calculated to affect prejudicially the carrying on of the business of the Partnership, (iii) willfully or persistently commits a breach of this Agreement or (iv) conducts itself in a manner relating to the Partnership or its business such that it is not reasonably practicable for the other Partners to carry on the business of the Partnership with the General Partner;

(b) any event which makes it unlawful for the business of the Partnership to be carried on by the Partners;

(c) the written consent of all Partners;

(d) any other event not inconsistent with any provision hereof causing a dissolution of the Partnership under the Act;

(e) the Incapacity or removal of the General Partner or the occurrence of a Disabling Event with respect to the General Partner; provided that the Partnership will not be dissolved or required to be wound up in connection with any of the events specified in

this Section 9.02(e) if: (i) at the time of the occurrence of such event there is at least one other general partner of the Partnership who is hereby authorized to, and elects to, carry on the business of the Partnership; or (ii) all remaining Limited Partners consent to or ratify the continuation of the business of the Partnership and the appointment of another general partner of the Partnership, effective as of the event that caused the General Partner to cease to be a general partner of the Partnership, within 120 days following the occurrence of any such event, which consent shall be deemed (and if requested each Limited Partner shall provide a written consent or ratification) to have been given for all Limited Partners if the holders of more than 50% of the Vested Units then outstanding agree in writing to so continue the business of the Partnership.

SECTION 9.03. Distribution upon Dissolution . Upon dissolution, the Partnership shall not be terminated and shall continue until the winding up of the affairs of the Partnership is completed. Upon the winding up of the Partnership, the General Partner, or any other Person designated by the General Partner (the " Liquidation Agent "), shall take full account of the assets and liabilities of the Partnership and shall, unless the General Partner determines otherwise, liquidate the assets of the Partnership as promptly as is consistent with obtaining the fair value thereof. The proceeds of any liquidation shall be applied and distributed in the following order:

(a) First, to the satisfaction of debts and liabilities of the Partnership (including satisfaction of all indebtedness to Partners and/or their Affiliates to the extent otherwise permitted by law) including the expenses of liquidation, and including the establishment of any reserve which the Liquidation Agent shall deem reasonably necessary for any contingent, conditional or unmatured contractual liabilities or obligations of the Partnership (" Contingencies "). Any such reserve may be paid over by the Liquidation Agent to any attorney-at-law, or acceptable party, as escrow agent, to be held for disbursement in payment of any Contingencies and, at the expiration of such period as shall be deemed advisable by the Liquidation Agent for distribution of the balance in the manner hereinafter provided in this Section 9.03; and

(b) The balance, if any, to the Partners, *pro rata* to each of the Partners in accordance with their Total Percentage Interests.

SECTION 9.04. Time for Liquidation . A reasonable amount of time shall be allowed for the orderly liquidation of the assets of the Partnership and the discharge of liabilities to creditors so as to enable the Liquidation Agent to minimize the losses attendant upon such liquidation.

SECTION 9.05. Termination . The Partnership shall terminate when all of the assets of the Partnership, after payment of or due provision for all debts, liabilities and obligations of the Partnership, shall have been distributed to the holders of Units in the manner provided for in this Article IX and the relevant declaration has been filed under the Act.

SECTION 9.06. Claims of the Partners . The Partners shall look solely to the Partnership's assets for the return of their Capital Contributions, and if the assets of the Partnership remaining after payment of or due provision for all debts, liabilities and obligations of the Partnership are insufficient to return such Capital Contributions, the Partners shall have no recourse

against the Partnership or any other Partner or any other Person. No Partner with a negative balance in such Partner's Capital Account shall have any obligation to the Partnership or to the other Partners or to any creditor or other Person to restore such negative balance during the existence of the Partnership, upon dissolution or termination of the Partnership or otherwise, except to the extent required by the Act.

SECTION 9.07 . Survival of Certain Provisions . Notwithstanding anything to the contrary in this Agreement, the provisions of Section 10.02 and Section 11.09 shall survive the termination of the Partnership.

ARTICLE X

LIABILITY AND INDEMNIFICATION

SECTION 10.01. Liability of Partners .

(a) No Limited Partner shall be liable for any debt, obligation or liability of the Partnership or of any other Partner or have any obligation to restore any deficit balance in its Capital Account solely by reason of being a Partner of the Partnership, except to the extent required by the Act.

(b) This Agreement is not intended to, and does not, create or impose any fiduciary duty on any of the Partners (including without limitation, the General Partner) hereto or on their respective Affiliates. Further, the Partners hereby waive any and all fiduciary duties that, absent such waiver, may exist at or be implied by Law or in equity, and in doing so, recognize, acknowledge and agree that their duties and obligations to one another and to the Partnership are only as expressly set forth in this Agreement and those required by the Act.

(c) To the extent that, at law or in equity, any Partner (including without limitation, the General Partner) has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or to another Partner, the Partners (including without limitation, the General Partner) acting under this Agreement will not be liable to the Partnership or to any such other Partner for their good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict or eliminate the duties and liabilities relating thereto of any Partner (including without limitation, the General Partner) otherwise existing at law or in equity, are agreed by the Partners to replace to that extent such other duties and liabilities of the Partners relating thereto (including without limitation, the General Partner).

(d) The General Partner may consult with legal counsel, accountants and financial or other advisors and any act or omission suffered or taken by the General Partner on behalf of the Partnership or in furtherance of the interests of the Partnership in good faith in reliance upon and in accordance with the advice of such counsel, accountants or financial or other advisors will be full justification for any such act or omission, and the General Partner will be fully protected in so acting or omitting to act so long as such counsel or accountants or financial or other advisors were selected with reasonable care.

(e) Notwithstanding any other provision of this Agreement or otherwise applicable provision of law or equity, whenever in this Agreement the General Partner is permitted or required

to make a decision (i) in its "sole discretion" or "discretion" or under a grant of similar authority or latitude, such General Partner shall be entitled to consider only such interests and factors as it desires, including its own interests, and shall, to the fullest extent permitted by applicable Law, have no duty or obligation to give any consideration to any interest of or factors affecting the Partnership or the Limited Partners, or (ii) in its "good faith" or under another expressed standard, such General Partner shall act under such express standard and shall not be subject to any other or different standards.

SECTION 10.02. Indemnification .

(a) Indemnification . To the fullest extent permitted by law, the Partnership shall indemnify any person (and such person's heirs, executors or administrators) who was or is made or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding (brought in the right of the Partnership or otherwise), whether civil, criminal, administrative or investigative, and whether formal or informal, including appeals, by reason of the fact that such person, or a person for whom such person was the legal representative, is or was a Partner (including without limitation, the General Partner) or a director, officer or agent of a Partner (including without limitation, the General Partner) or the Partnership or, while a director, officer or agent of a Partner (including without limitation, the General Partner) or the Partnership, is or was serving at the request of the Partnership as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, limited liability company, nonprofit entity or other enterprise, for and against all loss and liability suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement reasonably incurred by such person or such heirs, executors or administrators in connection with such action, suit or proceeding, including appeals; provided that such person shall not be entitled to indemnification hereunder only to the extent such person's conduct constituted fraud, bad faith or willful misconduct. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.02(c), the Partnership shall be required to indemnify a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the General Partner.

(b) Advancement of Expenses . To the fullest extent permitted by law, the Partnership shall promptly pay expenses (including attorneys' fees) incurred by any person described in Section 10.02(a) in appearing at, participating in or defending any action, suit or proceeding in advance of the final disposition of such action, suit or proceeding, including appeals, upon presentation of an undertaking on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified under this Section 10.02 or otherwise. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.02(c), the Partnership shall be required to pay expenses of a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the General Partner.

(c) Unpaid Claims . If a claim for indemnification (following the final disposition of such action, suit or proceeding) or advancement of expenses under this Section 10.02 is not paid in full within thirty (30) days after a written claim therefor by any person described in Section

10.02(a) has been received by the Partnership, such person may file proceedings to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Partnership shall have the burden of proving that such person is not entitled to the requested indemnification or advancement of expenses under applicable Law.

(d) Insurance . To the fullest extent permitted by law, the Partnership may purchase and maintain insurance on behalf of any person described in Section 10.02(a) against any liability asserted against such person, whether or not the Partnership would have the power to indemnify such person against such liability under the provisions of this Section 10.02 or otherwise.

(e) Non-Exclusivity of Rights . The provisions of this Section 10.02 shall be applicable to all actions, claims, suits or proceedings made or commenced after the date of this Agreement, whether arising from acts or omissions to act occurring before or after its adoption. The provisions of this Section 10.02 shall be deemed to be a contract between the Partnership and each person entitled to indemnification under this Section 10.02 (or legal representative thereof) who serves in such capacity at any time while this Section 10.02 and the relevant provisions of applicable Law, if any, are in effect, and any amendment, modification or repeal hereof shall not affect any rights or obligations then existing with respect to any state of facts or any action, suit or proceeding then or theretofore existing, or any action, suit or proceeding thereafter brought or threatened based in whole or in part on any such state of facts. If any provision of this Section 10.02 shall be found to be invalid or limited in application by reason of any law or regulation, it shall not affect the validity of the remaining provisions hereof. The rights of indemnification provided in this Section 10.02 shall neither be exclusive of, nor be deemed in limitation of, any rights to which any person may otherwise be or become entitled or permitted by contract, this Partnership Agreement or as a matter of law, both as to actions in such person's official capacity and actions in any other capacity, it being the policy of the Partnership that indemnification of any person whom the Partnership is obligated to indemnify pursuant to Section 10.02(a) shall be made to the fullest extent permitted by law.

For purposes of this Section 10.02, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Partnership" shall include any service as a director, officer, employee or agent of the Partnership which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries.

This Section 10.02 shall not limit the right of the Partnership, to the extent and in the manner permitted by law, to indemnify and to advance expenses to, and purchase and maintain insurance on behalf of, persons other than persons described in Section 10.02(a).

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Severability . If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner

materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

SECTION 11.02. Notices . All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax, by electronic mail (delivery receipt requested) or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 11.02):

(a) If to the Partnership, to:

Blackstone Holdings III L.P.
c/o Blackstone Holdings III GP L.P.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(b) If to any Partner, to:

c/o Blackstone Holdings III GP L.P.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(c) If to the General Partner, to:

Blackstone Holdings III GP L.P.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

SECTION 11.03. Cumulative Remedies . The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by Law.

SECTION 11.04. Binding Effect . This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

SECTION 11.05. Interpretation . Throughout this Agreement, nouns, pronouns and verbs shall be construed as masculine, feminine, neuter, singular or plural, whichever shall be applicable. Unless otherwise specified, all references herein to "Articles," "Sections" and paragraphs shall refer to corresponding provisions of this Agreement.

SECTION 11.06. Counterparts . This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 11.06.

SECTION 11.07. Further Assurances . Each Limited Partner shall perform all other acts and execute and deliver all other documents as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

SECTION 11.08. Entire Agreement . This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

SECTION 11.09. Governing Law . This Agreement shall be governed by, and construed in accordance with, the law of the Province of Québec.

SECTION 11.10. Submission to Jurisdiction; Waiver of Jury Trial .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the General Partner may bring, or may cause the Partnership to bring, on behalf of the General Partner or the Partnership or on behalf of one or more Partners, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Partner (i) expressly consents to the application of paragraph (c) of this Section 11.10 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate

and that remedies at law would be inadequate, and (iii) irrevocably appoints the General Partner as such Partner's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Partner of any such service of process, shall be deemed in every respect effective service of process upon the Partner in any such action or proceeding.

(c) (i) EACH PARTNER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 11.10, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable Law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 11.10 and such parties agree not to plead or claim the same.

SECTION 11.11. Expenses . Except as otherwise specified in this Agreement, the Partnership shall be responsible for all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with its operation.

SECTION 11.12. Amendments and Waivers . (a) This Agreement (including the Annexes hereto) may be amended, supplemented, waived or modified by the written consent of the General Partner; provided that any amendment that would have a material adverse effect on the rights or preferences of any Class of Units in relation to other Classes of Units must be approved by the holders of not less than a majority of the Vested Percentage Interests of the Class affected; provided further , that the General Partner may, without the written consent of any Limited Partner or any other Person, amend, supplement, waive or modify any provision of this Agreement and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect: (i) any amendment, supplement, waiver or modification that the General Partner determines to be necessary or appropriate in connection with the creation, authorization or issuance of any class or series of equity interest in the Partnership; (ii) the admission, substitution, withdrawal or removal of Partners in accordance with this Agreement; (iii) a change in the name of the Partnership, the location of the principal place of business of the Partnership, the registered agent of the Partnership or the registered office of the Partnership; (iv) any amendment, supplement, waiver or modification that the General Partner determines in its sole discretion to be necessary or appropriate to address changes in U.S. federal income tax regulations, legislation or interpretation; (v) a change in the Fiscal Year or taxable year of the Partnership and any other changes that the General Partner determines to be necessary or appropriate as a result of a change in the Fiscal Year or taxable year of the Partnership including a change in the dates on which distributions are to be made by the Partnership.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Law.

(c) The General Partner may, in its sole discretion, unilaterally amend this Agreement on or before the effective date of the final regulations to provide for (i) the election of a safe harbor under Proposed Treasury Regulation Section 1.83-3(l) (or any similar provision) under which the fair market value of a partnership interest that is transferred is treated as being equal to the liquidation value of that interest, (ii) an agreement by the Partnership and each of its Partners to comply with all of the requirements set forth in such regulations and Notice 2005-43 (and any other guidance provided by the Internal Revenue Service with respect to such election) with respect to all partnership interests transferred in connection with the performance of services while the election remains effective, (iii) the allocation of items of income, gains, deductions and losses required by the final regulations similar to Proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(b) and (c), and (iv) any other related amendments.

(d) Except as may be otherwise required by law in connection with the winding-up, liquidation, or dissolution of the Partnership, each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for judicial accounting or for partition of any of the Partnership's property.

SECTION 11.13. No Third Party Beneficiaries . This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their permitted assigns and successors and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement (other than pursuant to Section 10.02 hereof).

SECTION 11.14. Headings . The headings and subheadings in this Agreement are included for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

SECTION 11.15. Construction . Each party hereto acknowledges and agrees it has had the opportunity to draft, review and edit the language of this Agreement and that it is the intent of the parties hereto that no presumption for or against any party arising out of drafting all or any part of this Agreement will be applied in any dispute relating to, in connection with or involving this Agreement. Accordingly, the parties hereby waive to the fullest extent permitted by law the benefit of any rule of Law or any legal decision that would require that in cases of uncertainty, the language of a contract should be interpreted most strongly against the party who drafted such language.

SECTION 11.16. Power of Attorney . Each Limited Partner, by its execution hereof, hereby makes, constitutes and appoints the General Partner as its true and lawful agent and

attorney in fact, with full power of substitution and full power and authority in its name, place and stead, to make, execute, sign, acknowledge, swear to, record and file (a) this Agreement and any amendment to this Agreement that has been adopted as herein provided; (b) the original certificate of limited partnership of the Partnership and all amendments thereto required or permitted by law or the provisions of this Agreement; (c) all certificates and other instruments (including consents and ratifications which the Limited Partners have agreed to provide upon a matter receiving the agreed support of Limited Partners) deemed advisable by the General Partner to carry out the provisions of this Agreement (including the provisions of Section 8.05) and Law or to permit the Partnership to become or to continue as a limited partnership or partnership wherein the Limited Partners have limited liability in each jurisdiction where the Partnership may be doing business; (d) all instruments that the General Partner deems appropriate to reflect a change or modification of this Agreement or the Partnership in accordance with this Agreement, including, without limitation, the admission of additional Limited Partners or substituted Limited Partners pursuant to the provisions of this Agreement; (e) all conveyances and other instruments or papers deemed advisable by the General Partner to effect the liquidation and termination of the Partnership; and (f) all fictitious or assumed name certificates required or permitted (in light of the Partnership's activities) to be filed on behalf of the Partnership.

SECTION 11.17. Letter Agreements; Schedules . The General Partner may, or may cause the Partnership to, without the approval of any Limited Partner or other Person, enter into separate letter agreements with individual Limited Partners with respect to any matter, in each case on terms and conditions not inconsistent with this Agreement, which have the effect of establishing rights under, or supplementing the terms of, this Agreement. The General Partner may from time to time execute and deliver to the Limited Partners schedules which set forth information contained in the books and records of the Partnership and any other matters deemed appropriate by the General Partner. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

SECTION 11.18. Partnership Status . The parties intend to treat the Partnership as a partnership for U.S. federal income tax purposes.

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IN WITNESS WHEREOF, the parties hereto have entered into this Agreement or have caused this Agreement to be duly executed by their respective authorized officers, in each case as of the date first above stated.

BLACKSTONE HOLDINGS III GP L.P.

By: Blackstone Holdings III GP Management L.L.C., its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

AIG BG Holdings Inc.

By: /s/ Win J. Neuger
Name: Win J. Neuger
Title: President

LIMITED PARTNERS

All Limited Partners listed on Schedule I attached hereto, pursuant to the powers of executed in favor of, and granted and delivered to Stephen A. Schwarzman pursuant to Section 8.9 of that certain Contribution and Sale Agreement, dated as of June 18, 2007, by and among the Partnership, Blackstone Holdings I/II GP Inc., Blackstone Holdings III GP L.L.C., Blackstone Holdings IV GP L.P., Blackstone Holdings V GP L.P., Blackstone Holdings I/II Limited Partner Inc., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P., and the other parties thereto.

By: /s/ Stephen A Schwarzman
Name: Stephen A. Schwarzman
Title: Attorney-in-fact

Exhibit 10.4

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

BLACKSTONE HOLDINGS IV L.P.

Dated as of June 18, 2007

THE PARTNERSHIP UNITS OF BLACKSTONE HOLDINGS IV L.P. HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, THE SECURITIES LAWS OF ANY STATE, PROVINCE OR ANY OTHER APPLICABLE SECURITIES LAWS AND ARE BEING SOLD IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH UNITS MUST BE ACQUIRED FOR INVESTMENT ONLY AND MAY NOT BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED OR TRANSFERRED AT ANY TIME EXCEPT IN COMPLIANCE WITH (I) THE SECURITIES ACT, ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR PROVINCE, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT. THE UNITS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS LIMITED PARTNERSHIP AGREEMENT. THEREFORE, PURCHASERS AND OTHER TRANSFEREES OF SUCH UNITS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT OR ACQUISITION FOR AN INDEFINITE PERIOD OF TIME.

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AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

BLACKSTONE HOLDINGS IV L.P.

This AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT (this " Agreement ") of Blackstone Holdings IV L.P. (the " Partnership ") is made as of the 18th day of June, 2007, by and among Blackstone Holdings IV GP L.P., a limited partnership formed under the laws of the State of Delaware, as general partner, and the Limited Partners (as defined herein) of the Partnership.

WHEREAS, the Partnership was formed as a limited partnership pursuant to the Act, by the execution of the Limited Partnership Agreement of the Partnership dated as of June 13, 2007 (the " Original Agreement "); and

WHEREAS, the parties hereto desire to enter into this Amended and Restated Limited Partnership Agreement of the Partnership and to permit the admission of the Limited Partners to the Partnership.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein made and intending to be legally bound hereby, the parties hereto agree to amend and restate the Original Agreement in its entirety to read as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions . Capitalized terms used herein without definition have the following meanings (such meanings being equally applicable to both the singular and plural form of the terms defined):

" Act " means, the Civil Code and An Act respecting legal publicity of sole proprietorships, partnerships and legal persons (Québec), as they may be amended from time to time, and the laws of Québec applicable to partnerships.

" Additional Credit Amount " has the meaning set forth in Section 4.01(b)(ii).

" Adjusted Capital Account Balance " means, with respect to each Partner, the balance in such Partner's Capital Account adjusted (i) by taking into account the adjustments, allocations and distributions described in U.S. Treasury Regulations Sections 1.704-1(b)(2)(ii)(c)(4), (5) and (6); and (ii) by adding to such balance such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5), any amounts such Partner is obligated to restore pursuant to any provision of this Agreement or by applicable Law. The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

" Affiliate " means, with respect to a specified Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such specified Person.

" Agreement " has the meaning set forth in the preamble of this Agreement.

" Amended Tax Amount " has the meaning set forth in Section 4.01(b)(ii).

" Assignee " has the meaning set forth in Section 8.08.

" Assumed Tax Rate " means the highest effective marginal combined U.S. federal, state and local income tax rate for a Fiscal Year prescribed for an individual or corporate resident in New York, New York (taking into account (a) the nondeductiblity of expenses subject to the limitation described in Section 67(a) of the Code and (b) the character (e.g., long-term or short-term capital gain or ordinary or exempt income) of the applicable income, but not taking into account the deductibility of state and local income taxes for U.S. federal income tax purposes). For the avoidance of doubt, the Assumed Tax Rate will be the same for all Partners.

" Available Cash " means, with respect to any fiscal period, the amount of cash on hand which the General Partner, in its reasonable discretion, deems available for distribution to the Partners, taking into account all debts, liabilities and obligations of the Partnership then due and amounts which the General Partner, in its reasonable discretion, deems necessary to expend or retain for working capital or to place into reserves for customary and usual claims with respect to the Partnership's operations.

" Blackstone Holdings Partnerships " means each of the Partnership, Blackstone Holdings I L.P., a Delaware limited partnership, Blackstone Holdings II L.P., a Delaware limited partnership, Blackstone Holdings III L.P., a Delaware limited partnership, and Blackstone Holdings V L.P., a Québec société en commandite.

" Capital Account " means the separate capital account maintained for each Partner in accordance with Section 5.03 hereof.

" Capital Contribution " means, with respect to any Partner, the aggregate amount of money contributed to the Partnership and the Carrying Value of any property (other than money), net of any liabilities assumed by the Partnership upon contribution or to which such property is subject, contributed to the Partnership pursuant to Article V.

" Carrying Value " means, with respect to any Partnership asset, the asset's adjusted basis for U.S. federal income tax purposes, except that the initial carrying value of assets contributed to the Partnership shall be their respective gross fair market values on the date of contribution as determined by the General Partner, and the Carrying Values of all Partnership assets shall be adjusted to equal their respective fair market values, in accordance with the rules set forth in United States Treasury Regulation Section 1.704-1(b)(2)(iv)(f), except as otherwise provided herein, as of: (a) the date of the acquisition of any additional Partnership Interest by any new or existing Partner in exchange for more than a de minimis Capital Contribution; (b) the date of the distribution of more than a de minimis

amount of Partnership assets to a Partner; (c) the date a Partnership Interest is relinquished to the Partnership; or (d) any other date specified in the United States Treasury Regulations; provided , however, that adjustments pursuant to clauses (a), (b) (c) and (d) above shall be made only if such adjustments are deemed necessary or appropriate by the General Partner to reflect the relative economic interests of the Partners. The Carrying Value of any Partnership asset distributed to any Partner shall be adjusted immediately before such distribution to equal its fair market value. In the case of any asset that has a Carrying Value that differs from its adjusted tax basis, Carrying Value shall be adjusted by the amount of depreciation calculated for purposes of the definition of "Profits (Losses)" rather than the amount of depreciation determined for U.S. federal income tax purposes, and depreciation shall be calculated by reference to Carrying Value rather than tax basis once Carrying Value differs from tax basis.

" Category 1 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 1 Limited Partner.

" Category 2 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 2 Limited Partner.

" Category 3 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 3 Limited Partner.

" Category 4 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 4 Limited Partner.

" Category 5 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 5 Limited Partner.

" Category 6 Limited Partner " means the Limited Partner identified in the books and records of the Partnership as a Category 6 Limited Partner.

" Cause " means the occurrence or existence of any of the following as determined fairly, reasonably, on an informed basis and in good faith by the General Partner: (i) (w) any breach by an Employed Limited Partner of any provision of this Agreement or the Non-Competition Agreement attached hereto, (x) any material breach of any rules or regulations applicable to senior managing directors or employees, as applicable, of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, (y) an Employed Limited Partner's deliberate failure to perform his or her duties to the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, or (z) an Employed Limited Partner's committing to or engaging in any conduct or behavior that is or may be harmful to the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities in any material way (provided that, in the case of any of the foregoing clauses (w), (x), (y) and (z), the General Partner has given the Employed Limited Partner written notice (a " Notice of Breach ") within fifteen days after the General Partner becomes aware of such action and such Employed Limited Partner fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt by the Employed Limited Partner of such Notice of Breach from the General Partner (or such longer period, not to exceed an additional

fifteen days, as shall be reasonably required for such cure, provided , that such Employed Limited Partner is diligently pursuing such cure), (iii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, or (iv) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a U.S. federal or state or comparable non-U.S. regulatory body or by a self-regulatory body having authority with respect to U.S. federal or state or comparable non-U.S. securities laws, rules or regulations of the securities industry, that such Employed Limited Partner individually has violated any U.S. federal or state or comparable non-U.S. securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Employed Limited Partner's ability to function as a senior managing director or employee, as applicable, of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, taking into account the services required of Employed Limited Partner and the nature of the business of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities or (B) the business of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities.

" Change of Control " means the occurrence of any Person, other than a Person approved by the current Issuer General Partner, becoming the general partner of the Issuer.

" Charity " means any organization that is organized and operated for a purpose described in Section 170(c) of the Code (determined without reference to Code Section 170(c)(2)(A)) and described in Code Sections 2055(a) and 2522.

" Civil Code " means the Civil Code of Québec, RSQ ch. C-1991, as it may be amended from time to time.

" Class " means the classes of Units into which the interests in the Partnership may be classified or divided from time to time pursuant to the provisions of this Agreement.

" Class A Units " means the Units of partnership interest in the Partnership designated as the "Class A Units" herein and having the rights pertaining thereto as are set forth in this Agreement.

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

" Common Units " means common units representing limited partner interests of the Issuer.

" Contingencies " has the meaning set forth in Section 9.03(b).

" Control " (including the terms " Controlled by " and " under common Control with ") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting

securities, as trustee or executor, by contract or otherwise, including, without limitation, the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body governing the affairs of such Person.

" Credit Amount " has the meaning set forth in Section 4.01(b)(ii) of this Agreement.

" Creditable Non-U.S. Tax " means a non-U.S. tax paid or accrued for United States federal income tax purposes by the Partnership, in either case to the extent that such tax is eligible for credit under Section 901(a) of the Code. A non-U.S. tax is a Creditable Non-U.S. Tax for these purposes without regard to whether a partner receiving an allocation of such non-U.S. tax elects to claim a credit for such amount. This definition is intended to be consistent with the definition of "Creditable Non-U.S. Tax" in Temporary Treasury Regulations Section 1.704-1T(b)(4)(xi)(*b*), and shall be interpreted consistently therewith.

"Declaration" means the declaration of registration of the Partnership filed with the Registraire des entreprises (Québec) pursuant to the Act, as amended from time to time.

" Disability " means, as to any Person, such Person's inability to perform in all material respects his or her duties and responsibilities to the General Partner, or any of its Affiliates, by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the General Partner may reasonably determine in good faith.

" Disabling Event " means the General Partner ceasing to be the general partner of the Partnership pursuant to Section 17-402 of the Act.

" Dissolution Event " has the meaning set forth in Section 9.02 of this Agreement.

" Employed Limited Partner " means any Limited Partner that is employed by or providing services to the Issuer General Partner, the Issuer, the General Partner, the Partnership or any of its subsidiaries at the time in question, and any Personal Planning Vehicle of such Limited Partner.

" Encumbrance " means any mortgage, claim, lien, encumbrance, conditional sales or other title retention agreement, right of first refusal, preemptive right, pledge, option, charge, security interest or other similar interest, easement, judgment or imperfection of title of any nature whatsoever.

" ERISA " means The Employee Retirement Income Security Act of 1974, as amended.

" Exchange Act " means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

" Exchange Agreement " means the exchange agreement dated as of or about the date hereof among the Issuer, the Blackstone Holdings Partnerships and the limited partners of the Blackstone Holdings Partnerships from time to time, as amended from time to time.

" Exchange Transaction " means an exchange of Units for Common Units pursuant to, and in accordance with, the Exchange Agreement or, if the Issuer and the exchanging Limited Partner shall mutually agree, a Transfer of Units to the Issuer, the Partnership or any of their subsidiaries for other consideration.

" Final Tax Amount " has the meaning set forth in Section 4.01(b)(ii).

" Fiscal Year " means (i) the period commencing upon the formation of the Partnership and ending on December 31, 2007 or (ii) any subsequent twelve-month period commencing on January 1 and ending on December 31.

" GAAP " means accounting principles generally accepted in the United States of America as in effect from time to time.

" General Partner " means Blackstone Holdings IV GP L.P., a limited partnership formed under the laws of the State of Delaware or any successor general partner admitted to the Partnership in accordance with the terms of this Agreement.

" Government Official " means a person who holds a high-level, full-time position with a national, supranational, U.S. federal, U.S. state or City of New York government.

" Incapacity " means, with respect to any Person, the bankruptcy, dissolution, termination, entry of an order of incompetence, or the insanity, permanent disability or death of such Person.

" Initial Limited Partner " means each Limited Partner as of the date of this Agreement.

" Initial Units " means, with respect to any Initial Limited Partner, the aggregate number of Class A Units owned by such Initial Limited Partner as of the date of this Agreement.

" Initial Unvested Units " means, with respect to any Initial Limited Partner, the aggregate number of Unvested Units owned by such Initial Limited Partner as of the date of this Agreement.

" Initial Vested Units " means, with respect to any Initial Limited Partner, the aggregate number of Vested Units listed in the books and records of the Partnership as of the date of this Agreement, and any additional Initial Units that have vested from time to time in accordance with Section 8.01 of this Agreement.

" Intangible Assets " means the assets of the Partnership that are described in Section 197(d) of the Code.

" Intangible Asset Gain " means the net gain recognized by the Partnership with respect to the Partnership's Intangible Assets in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership, including but not limited to net capital gain realized in connection with an adjustment to the Carrying Value of Partnership

assets; provided , however , that any such gain shall constitute "Intangible Asset Gain" only to the extent that any such gain exceeds losses previously recognized in an actual or hypothetical sale of Intangible Assets.

" IPO " means the initial public offering and sale of Common Units, as contemplated by the Issuer's Registration Statement on Form S-1 (File No. 333-141504).

" Issuer " means The Blackstone Group L.P., a limited partnership formed under the laws of the State of Delaware, or any successor thereto.

" Issuer General Partner " means Blackstone Group Management L.L.C., a limited liability company formed under the laws of the State of Delaware and the general partner of the Issuer, or any successor general partner of the Issuer.

" Issuer Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of the Issuer to be dated substantially concurrently with the consummation of the IPO, as such agreement of limited partnership may be amended, supplemented or restated from time to time.

" Law " means any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree or other order issued or promulgated by any national, supranational, state, federal, provincial, local or municipal government or any administrative or regulatory body with authority therefrom with jurisdiction over the Partnership or any Partner, as the case may be.

" Limited Partner " means a special partner, as defined in the Act and, more specifically, each of the Persons from time to time listed as a limited partner in the books and records of the Partnership, and, for purposes of Sections 8.01, 8.02, 8.03, 8.04, 8.05 and 8.06, any Personal Planning Vehicle of such Limited Partner.

" Liquidation Agent " has the meaning set forth in Section 9.03 of this Agreement.

" Last Reported Sale Price " of the Common Units on any date means:

(a) the closing sale price per unit on the New York Stock Exchange on that date (or, if no closing sale price is reported, the last reported sale price);

(b) if the Common Units are not listed for trading on the New York Stock Exchange, the closing sale price (or, if no closing sale price is reported, the last reported sale price) as reported on that date in composite transactions for the principal national securities exchange registered pursuant to Section 6(g) of the Exchange Act on which the Common Units are listed;

(c) if the Common Units are not so listed on a national securities exchange, the last quoted bid price for the Common Units on that date in the over-the-counter market as reported by Pink Sheets LLC or a similar organization; or

(d) if the Common Units are not so quoted by Pink Sheets LLC or a similar organization, the average of the mid-point of the last bid and ask prices for the Common Units on that date from a nationally recognized independent investment banking firm selected by the General Partner for this purpose.

" Minimum Retained Ownership Requirement " has the meaning set forth in Section 8.04(a).

" Net Taxable Income " has the meaning set forth in Section 4.01(b)(i).

" Non-Competition Agreement " means collectively, the Senior Managing Director Non-Competition and Non-Solicitation Agreement and Contracting Employees Non-Competition and Non-Solicitation Agreement dated on or about the date hereof by certain Employed Limited Partners with each of the Blackstone Holdings Partnerships and any agreement with respect to similar subject matter entered into from time to time by an Employed Limited Partner.

" Nonrecourse Deductions " has the meaning set forth in Treasury Regulations Section 1.704-2(b). The amount of Nonrecourse Deductions of the Partnership for a fiscal year equals the net increase, if any, in the amount of Partnership Minimum Gain of the Partnership during that fiscal year, determined according to the provisions of Treasury Regulations Section 1.704-2(c).

" Original Agreement " has the meaning set forth in the preamble of this Agreement.

" Partners " means, at any time, each person listed as a Partner (including the General Partner) on the books and records of the Partnership, in each case for so long as he, she or it remains a partner of the Partnership as provided hereunder.

" Partnership " has the meaning set forth in the preamble of this Agreement.

" Partnership Minimum Gain " has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

" Partner Nonrecourse Debt Minimum Gain " means an amount with respect to each partner nonrecourse debt (as defined in Treasury Regulations Section 1.704-2(b)(4)) equal to the Partnership Minimum Gain that would result if such partner nonrecourse debt were treated as a nonrecourse liability (as defined in Treasury Regulations Section 1.752-1(a)(2)) determined in accordance with Treasury Regulations Section 1.704-2(i)(3).

" Partner Nonrecourse Deductions " has the meaning ascribed to the term "partner nonrecourse deductions" set forth in Treasury Regulations Section 1.704-2(i)(2).

" Person " means any individual, corporation, partnership, limited partnership, limited liability company, limited company, joint venture, trust, unincorporated or governmental organization or any agency or political subdivision thereof.

" Personal Planning Vehicle " means, in respect of any Limited Partner, any estate, family limited liability company, family limited partnership, or inter vivos or testamentary trust that holds Units that is designated as a Personal Planning Vehicle of such Limited Partner in the books and records of the Partnership.

" Profits " and " Losses " means, for each Fiscal Year or other period, the taxable income or loss of the Partnership, or particular items thereof, determined in accordance with the accounting method used by the Partnership for U.S. federal income tax purposes with the following adjustments: (a) all items of income, gain, loss or deduction allocated pursuant to Section 5.05 shall not be taken into account in computing such taxable income or loss; (b) any income of the Partnership that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Profits and Losses shall be added to such taxable income or loss; (c) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, any gain or loss resulting from a disposition of such asset shall be calculated with reference to such Carrying Value; (d) upon an adjustment to the Carrying Value (other than an adjustment in respect of depreciation) of any asset, pursuant to the definition of Carrying Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (e) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, the amount of depreciation, amortization or cost recovery deductions with respect to such asset for purposes of determining Profits and Losses, if any, shall be an amount which bears the same ratio to such Carrying Value as the U.S. federal income tax depreciation, amortization or other cost recovery deductions bears to such adjusted tax basis (provided that if the U.S. federal income tax depreciation, amortization or other cost recovery deduction is zero, the General Partner may use any reasonable method for purposes of determining depreciation, amortization or other cost recovery deductions in calculating Profits and Losses); and (f) except for items in (a) above, any expenditures of the Partnership not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Profits and Losses pursuant to this definition shall be treated as deductible items.

" Restricted Period ," with respect to each Limited Partner that is or was an Employed Limited Partner, has the meaning set forth in such Limited Partner's Non-Competition Agreement.

" Restrictive Covenant ," with respect to each Limited Partner that is or was an Employed Limited Partner, has the meaning set forth in such Limited Partner's Non-Competition Agreement.

" Retirement " (including the term " Retire ") means retirement of an Employed Limited Partner from his or her employment with the Issuer General Partner, the Issuer, the General Partner, the Partnership or any of their subsidiaries after (a) he or she has reached age 65 and has at least five full years of service, or (b) (i) his or her age plus years of service totals at least 65, (ii) he or she has reached age 50 and (iii) he or she has had a minimum of five years of service; provided , however, that no Employed Limited Partner will be eligible to Retire prior to June 30, 2010.

" Securities Act " means the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

" Similar Law " means any law or regulation that could cause the underlying assets of the Partnership to be treated as assets of the Limited Partner by virtue of its limited partner interest in the Partnership and thereby subject the Partnership and the General Partner (or other persons responsible for the investment and operation of the Partnership's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the Code.

" Tax Advances " has the meaning set forth in Section 5.07.

" Tax Amount " has the meaning set forth in Section 4.01(b)(i).

" Tax Distributions " has the meaning set forth in Section 4.01(b)(i).

" Tax Matters Partner " has the meaning set forth in Section 5.08.

" Total Percentage Interest " means, with respect to any Partner, the quotient obtained by dividing the number of Units (vested or unvested) then owned by such Partner by the number of Units then owned by all Partners.

" Transfer " means, in respect of any Unit, property or other asset, any sale, assignment, transfer, distribution or other disposition thereof, whether voluntarily or by operation of Law, including, without limitation, the exchange of any Unit for any other security.

" Transferee " means any Person that is a transferee of a Partner's interest in the Partnership, or part thereof.

" Treasury Regulations " means the income tax regulations, including temporary regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

" Units " means the Class A Units and any other Class of Units authorized in accordance with this Agreement, which shall constitute interests in the Partnership as provided in this Agreement and under the Act, entitling the holders thereof to the relative rights, title and interests in the profits, losses, deductions and credits of the Partnership at any particular time as set forth in this Agreement, and any and all other benefits to which a holder thereof may be entitled as a Partner as provided in this Agreement, together with the obligations of such Partner to comply with all terms and provisions of this Agreement.

" Unvested Units " means those Units listed as unvested Units in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement.

" Vested Percentage Interest " means, with respect to any Partner, the quotient obtained by dividing the number of Vested Units then owned by such Partner by the number of Vested Units then owned by all Partners.

" Vested Units " means those Units listed as vested Units in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement.

ARTICLE II

FORMATION, TERM, PURPOSE AND POWERS

SECTION 2.01. Formation . The Partnership was formed as a limited partnership under the provisions of the Act by the execution of the Original Agreement. A Declaration was filed with the Registraire des entreprises (Québec) as of June , 2007, in accordance with the provisions of the Act. If requested by the General Partner, the Limited Partners shall promptly execute all certificates and other documents consistent with the terms of this Agreement necessary for the General Partner to accomplish all filing, recording, publishing and other acts as may be appropriate to comply with all requirements for (a) the formation and operation of a limited partnership under the laws of the Province of Québec, (b) if the General Partner deems it advisable, the operation of the Partnership as a limited partnership, or partnership in which the Limited Partners have limited liability, in all jurisdictions where the Partnership proposes to operate and (c) all other filings required to be made by the Partnership.

SECTION 2.02. Name . The name of the Partnership shall be, and the business of the Partnership shall be conducted under the name of, Placements Blackstone IV s.e.c. and, in its English version, Blackstone Holdings IV L.P.

SECTION 2.03. Term . The term of the Partnership commenced on the date of the Original Agreement, and the term shall continue until the dissolution of the Partnership in accordance with Article IX. The existence of the Partnership shall continue until dissolution of the Partnership in the manner required by the Act.

SECTION 2.04. Offices . The Partnership may have offices at such places either within or outside the Province of Québec as the General Partner from time to time may select. As of the date hereof, the principal place of business and office of the Partnership is located at 345 Park Avenue, New York, New York 10154. The Québec domicile of the Partnership shall be located at 1 Place Ville Marie, 37 th Floor, Montréal, Québec, Canada H3B 3P4.

SECTION 2.05. Agent for Service of Process . The Partnership's registered agent for service of process in the Province of Québec shall be as set forth in the Declaration, or such other person as the General Partner shall designate in its sole discretion from time to time.

SECTION 2.06. Business Purpose . The Partnership was formed for the object and purpose of, and the nature and character of the business to be conducted by the Partnership is, engaging in any lawful act or activity for which limited partnerships may be formed under the Act.

SECTION 2.07. Powers of the Partnership . Subject to the limitations set forth in this Agreement, the Partnership will possess and may exercise all of the powers and privileges granted to it by the Act including, without limitation, the ownership and operation of the assets contributed to the Partnership by the Partners, by any other Law or this Agreement, together with all powers incidental thereto, so far as such powers are necessary or convenient to the conduct, promotion or attainment of the purpose of the Partnership set forth in Section 2.06.

SECTION 2.08. Partners; Admission of New Partners . Each of the Persons listed in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement, by virtue of the execution of this Agreement, are admitted as Partners of the Partnership. The rights, duties and liabilities of the Partners shall be as provided in the Act, except as is otherwise expressly provided herein, and the Partners consent to the variation of such rights, duties and liabilities as provided herein. A Person may be admitted from time to time as a new Partner in accordance with Section 8.10; provided , however, that each new Partner shall execute and deliver to the General Partner an appropriate supplement to this Agreement pursuant to which the new Partner agrees to be bound by the terms and conditions of the Agreement, as it may be amended from time to time.

SECTION 2.09. Withdrawal . No Partner shall have the right to withdraw as a Partner of the Partnership other than following the Transfer of all Units owned by such Partner in accordance with Article VIII; provided , however, that a new General Partner or substitute General Partner may be admitted to the Partnership in accordance with Section 8.09.

ARTICLE III

MANAGEMENT

SECTION 3.01. General Partner . (a) The business, property and affairs of the Partnership shall be managed under the sole, absolute and exclusive direction of the General Partner, which may from time to time delegate authority to officers or to others to act on behalf of the Partnership.

(b) Without limiting the foregoing provisions of this Section 3.01, the General Partner shall have the general power to manage or cause the management of the Partnership (which may be delegated to officers of the Partnership), including, without limitation, the following powers:

(i) to develop and prepare a business plan each year which will set forth the operating goals and plans for the Partnership;

(ii) to execute and deliver or to authorize the execution and delivery of contracts, deeds, leases, licenses, instruments of transfer and other documents on behalf of the Partnership;

(iii) the making of any expenditures, the lending or borrowing of money, the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness and the incurring of any other obligations;

(iv) to employ, retain, consult with and dismiss personnel;

(v) to establish and enforce limits of authority and internal controls with respect to all personnel and functions;

(vi) to engage attorneys, consultants and accountants for the Partnership;

(vii) to develop or cause to be developed accounting procedures for the maintenance of the Partnership's books of account; and

(viii) to do all such other acts as shall be authorized in this Agreement or by the Partners in writing from time to time.

SECTION 3.02. Compensation . The General Partner shall not be entitled to any compensation for services rendered to the Partnership in its capacity as General Partner.

SECTION 3.03. Expenses . The Partnership shall bear and/or reimburse the General Partner for any expenses incurred by the General Partner in connection with serving as the general partner of the Partnership.

SECTION 3.04. Officers . Subject to the direction and oversight of the General Partner, the day-to-day administration of the business of the Partnership may be carried out by employees and agents who may be designated as officers by the General Partner, with titles including but not limited to "chief executive officer," "chief financial officer," "chief legal officer," "chief administrative officer," "chief compliance officer," "principal accounting officer," "chairman," "senior chairman," "vice chairman," "president," "vice president," "treasurer," "assistant treasurer," "secretary," "assistant secretary," "general manager," "senior managing director," "managing director" and "director," as and to the extent authorized by the General Partner. The officers of the Partnership shall have such titles and powers and perform such duties as shall be determined from time to time by the General Partner and otherwise as shall customarily pertain to such offices. Any number of offices may be held by the same person. All employees, agents and officers shall be subject to the supervision and direction of the General Partner and may be removed from such office by the General Partner and the authority, duties or responsibilities of any employee, agent or officer of the Partnership may be suspended by the General Partner from time to time, in each case in the sole discretion of the General Partner. The General Partner shall not cease to be a general partner of the Partnership as a result of the delegation of any duties hereunder. No officer of the Partnership, in its capacity as such, shall be considered a general partner of the Partnership by agreement, estoppel, as a result of the performance of its duties hereunder or otherwise.

SECTION 3.05. Authority of Partners . Other than exercising a Limited Partner's rights and powers as a Limited Partner, as contemplated in the Act, no Limited Partner, in its capacity as such, shall participate in or have any control over the business of the Partnership. Except as expressly provided herein, the Units do not confer any rights upon the Limited Partners to participate in the affairs of the Partnership described in this Agreement. Except as expressly provided herein, the Limited Partners shall have no right to vote on any matter involving the Partnership, including with respect to any merger, consolidation, combination or conversion of the

Partnership. The conduct, control and management of the Partnership shall be vested exclusively in the General Partner. In all matters relating to or arising out of the conduct of the operation of the Partnership, the decision of the General Partner shall be the decision of the Partnership. Except as required or permitted by Law, or expressly provided in the ultimate sentence of this Section 3.05 or by separate agreement with the Partnership, no Partner who is not also a General Partner (and acting in such capacity) shall take any part in the management or control of the operation or business of the Partnership in its capacity as a Partner, nor shall any Partner who is not also a General Partner (and acting in such capacity) have any right, authority or power to act for or on behalf of or bind the Partnership in his or its capacity as a Partner in any respect or assume any obligation or responsibility of the Partnership or of any other Partner. Notwithstanding the foregoing, the Partnership may employ one or more Partners from time to time, and such Partners, in their capacity as employees of the Partnership (and not, for clarity, in their capacity as Limited Partners of the Partnership), may take part in the control and management of the business of the Partnership to the extent such authority and power to act for or on behalf of the Partnership has been delegated to them by the General Partner.

SECTION 3.06. Action by Written Consent or Ratification . Any action required or permitted to be taken by the Partners pursuant to this Agreement shall be taken if all Partners whose consent or ratification is required consent thereto or provide a ratification in writing.

ARTICLE IV

DISTRIBUTIONS

SECTION 4.01. Distributions . (a) The General Partner, in its sole discretion, may authorize distributions by the Partnership to the Partners, which distributions shall be made *pro rata* in accordance with the Partners' respective Total Percentage Interests. Notwithstanding the foregoing, any distributions in respect of income of the Partnership earned on or prior to December 31, 2009 shall be made each Fiscal Year (A) first, to the General Partner until sufficient distributions from the Partnership, together with distributions from the other Blackstone Holdings Partnerships to their respective general partners, have been so allocated to permit the Issuer to make aggregate distributions to holders of Common Units of US$1.20 per Common Unit on an annualized basis for such Fiscal Year; (B) second, to the Limited Partners until an amount of distributions (on a per Unit basis) equivalent to the distributions to the General Partner under clause (A) of this Section 4.01 has been distributed in respect of each Limited Partners' respective Total Percentage Interests for such Fiscal Year; and (C) third, *pro rata* in accordance with the Partners' respective Total Percentage Interests.

(b) (i) In addition to the foregoing, if the General Partner reasonably determines that the taxable income of the Partnership for a Fiscal Year will give rise to taxable income for the Partners (" Net Taxable Income "), the General Partner shall cause the Partnership to distribute Available Cash in respect of income tax liabilities (the " Tax Distributions ") to the extent that other distributions made by the Partnership for such year were otherwise insufficient to cover such tax liabilities. The Tax Distributions payable with respect to any Fiscal Year shall be computed based upon the General Partner's estimate of the allocable Net Taxable Income in accordance with Article V, multiplied by the Assumed Tax Rate (the " Tax Amount "). For purposes of computing the Tax Amount, the effect of any benefit under Section 743(b) of the Code will be ignored.

(ii) Tax Distributions shall be calculated and paid no later than one day prior to each quarterly due date for the payment by corporations on a calendar year of estimated taxes under the Code in the following manner (A) for the first quarterly period, 25% of the Tax Amount, (B) for the second quarterly period, 50% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year, (C) for the third quarterly period, 75% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year and (D) for the fourth quarterly period, 100% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year. Following each Fiscal Year, and no later than one day prior to the due date for the payment by corporations of income taxes for such Fiscal Year, the General Partner shall make an amended calculation of the Tax Amount for such Fiscal Year (the " Amended Tax Amount "), and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Amended Tax Amount so calculated exceeds the cumulative Tax Distributions previously made by the Partnership in respect of such Fiscal Year. If the Amended Tax Amount is less than the cumulative Tax Distributions previously made by the Partnership in respect of the relevant Fiscal Year, then the difference (the " Credit Amount ") shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Within 30 days following the date on which the Partnership files a tax return on Form 1065, the General Partner shall make a final calculation of the Tax Amount of such Fiscal Year (the " Final Tax Amount ") and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Final Tax Amount so calculated exceeds the Amended Tax Amount. If the Final Tax Amount is less than the Amended Tax Amount in respect of the relevant Fiscal Year, then the difference (" Additional Credit Amount ") shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Any Credit Amount and Additional Credit Amount applied against future Tax Distributions shall be treated as an amount actually distributed pursuant to this Section 4.01(b) for purposes of the computations herein.

SECTION 4.02. Liquidation Distribution . Distributions made upon dissolution of the Partnership shall be made as provided in Section 9.03.

SECTION 4.03. Limitations on Distribution . Notwithstanding any provision to the contrary contained in this Agreement, the General Partner shall not make a Partnership distribution to any Partner if such distribution would violate Article 2242 of the Civil Code or any other applicable provision of the Act or other applicable Law.

ARTICLE V

CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS; TAX ALLOCATIONS; TAX MATTERS

SECTION 5.01. Initial Capital Contributions . (a) The Partners have made, on or prior to the date hereof, Capital Contributions and, in exchange, the Partnership has issued to the Partners the number of Class A Units as specified in the books and records of the Partnership.

(b) Upon issuance by the Partnership of Class A Units to the Partners, the interests in the Partnership as provided in this Agreement and under the Act held by Blackstone Holdings IV GP Limited Partner L.L.C. will be cancelled.

SECTION 5.02. No Additional Capital Contributions . Except as otherwise provided in this Article V, no Partner shall be required to make additional Capital Contributions to the Partnership without the consent of such Partner or permitted to make additional capital contributions to the Partnership without the consent of the General Partner.

SECTION 5.03. Capital Accounts . A separate capital account (a " Capital Account ") shall be established and maintained for each Partner in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv). The Capital Account of each Partner shall be credited with such Partner's Capital Contributions, if any, all Profits allocated to such Partner pursuant to Section 5.04 and any items of income or gain which are specially allocated pursuant to Section 5.05; and shall be debited with all Losses allocated to such Partner pursuant to Section 5.04, any items of loss or deduction of the Partnership specially allocated to such Partner pursuant to Section 5.05, and all cash and the Carrying Value of any property (net of liabilities assumed by such Partner and the liabilities to which such property is subject) distributed by the Partnership to such Partner. Any references in any section of this Agreement to the Capital Account of a Partner shall be deemed to refer to such Capital Account as the same may be credited or debited from time to time as set forth above. In the event of any transfer of any interest in the Partnership in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

SECTION 5.04. Allocations of Profits and Losses . Except as otherwise provided in this Agreement, Profits and Losses (and, to the extent necessary, individual items of income, gain or loss or deduction of the Partnership) shall be allocated in a manner such that the Capital Account of each Partner after giving effect to the Special Allocations set forth in Section 5.05 is, as nearly as possible, equal (proportionately) to (i) the distributions that would be made pursuant to Article IV if the Partnership were dissolved, its affairs wound up and its assets sold for cash equal to their Carrying Value, all Partnership liabilities were satisfied (limited with respect to each non-recourse liability to the Carrying Value of the assets securing such liability) and the net assets of the Partnership were distributed to the Partners pursuant to this Agreement, minus (ii) such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, computed immediately prior to the hypothetical sale of assets. For purposes of this Article V, each Unvested Unit shall be treated as a Vested Unit. Notwithstanding the foregoing, the General Partner shall make such adjustments to Capital Accounts as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a partner's interest in the Partnership.

SECTION 5.05. Special Allocations . Notwithstanding any other provision in this Article V:

(a) Minimum Gain Chargeback . If there is a net decrease in Partnership Minimum Gain or Partner Nonrecourse Debt Minimum Gain (determined in accordance with the principles of Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any Partnership taxable year, the Partners shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to their respective shares of such net decrease

during such year, determined pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Treasury Regulations Section 1.704-2(f). This Section 5.05(a) is intended to comply with the minimum gain chargeback requirements in such Treasury Regulations Sections and shall be interpreted consistently therewith; including that no chargeback shall be required to the extent of the exceptions provided in Treasury Regulations Sections 1.704-2(f) and 1.704-2(i)(4).

(b) Qualified Income Offset . If any Partner unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Partnership income and gain shall be specially allocated to such Partner in an amount and manner sufficient to eliminate the deficit balance in such Partner's Adjusted Capital Account Balance created by such adjustments, allocations or distributions as promptly as possible; provided that an allocation pursuant to this Section 5.05(b) shall be made only to the extent that a Partner would have a deficit Adjusted Capital Account Balance in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if this Section 5.05(b) were not in this Agreement. This Section 5.05(b) is intended to comply with the "qualified income offset" requirement of the Code and shall be interpreted consistently therewith.

(c) Gross Income Allocation . If any Partner has a deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of (i) the amount such Partner is obligated to restore, if any, pursuant to any provision of this Agreement, and (ii) the amount such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Section 1.704-2(g)(1) and 1.704-2(i)(5), each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible; provided that an allocation pursuant to this Section 5.05(c) shall be made only if and to the extent that a Partner would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if Section 5.05(b) and this Section 5.05(c) were not in this Agreement.

(d) Nonrecourse Deductions . Nonrecourse Deductions shall be allocated to the Partners in accordance with their respective Total Percentage Interests.

(e) Partner Nonrecourse Deductions . Partner Nonrecourse Deductions for any taxable period shall be allocated to the Partner who bears the economic risk of loss with respect to the liability to which such Partner Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(j).

(f) Creditable Non-U.S. Taxes . Creditable Non-U.S. Taxes for any taxable period attributable to the Partnership, or an entity owned directly or indirectly by the Partnership, shall be allocated to the Partners in proportion to the partners' distributive shares of income (including income allocated pursuant to Section 704(c) of the Code) to which the Creditable Non-U.S. Tax relates (under principles of Treasury Regulations Section 1.904-6). The provisions of this Section 5.05(f) are intended to comply with the provisions of Temporary Treasury Regulations Section 1.704-1T(b)(4)(xi), and shall be interpreted consistently therewith.

(g) Ameliorative Allocations . Any special allocations of income or gain pursuant to Sections 5.05(b) or 5.05(c) hereof shall be taken into account in computing subsequent allocations

pursuant to Section 5.04 and this Section 5.05(g), so that the net amount of any items so allocated and all other items allocated to each Partner shall, to the extent possible, be equal to the net amount that would have been allocated to each Partner if such allocations pursuant to Sections 5.05(b) or 5.05(c) had not occurred.

SECTION 5.06. Tax Allocations . For income tax purposes, each item of income, gain, loss and deduction of the Partnership shall be allocated among the Partners in the same manner as the corresponding items of Profits and Losses and specially allocated items are allocated for Capital Account purposes; provided that in the case of any asset the Carrying Value of which differs from its adjusted tax basis for U.S. federal income tax purposes, income, gain, loss and deduction with respect to such asset shall be allocated solely for income tax purposes in accordance with the principles of Sections 704(b) and (c) of the Code (in any manner determined by the General Partner and permitted by the Code and Treasury Regulations) so as to take account of the difference between Carrying Value and adjusted basis of such asset. Notwithstanding the foregoing, the General Partner shall make such allocations for tax purposes as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a partner's interest in the Partnership.

SECTION 5.07. Tax Advances . To the extent the General Partner reasonably believes that the Partnership is required by law to withhold or to make tax payments on behalf of or with respect to any Partner or the Partnership is subjected to tax itself by reason of the status of any Partner (" Tax Advances "), the General Partner may withhold such amounts and make such tax payments as so required. All Tax Advances made on behalf of a Partner shall be repaid by reducing the amount of the current or next succeeding distribution or distributions which would otherwise have been made to such Partner or, if such distributions are not sufficient for that purpose, by so reducing the proceeds of liquidation otherwise payable to such Partner. For all purposes of this Agreement such Partner shall be treated as having received the amount of the distribution that is equal to the Tax Advance. Each Partner hereby agrees to indemnify and hold harmless the Partnership and the other Partners from and against any liability (including, without limitation, any liability for taxes, penalties, additions to tax or interest other than any penalties, additions to tax or interest imposed as a result of the Partnership's failure to withhold or make a tax payment on behalf of such Partner which withholding or payment is required pursuant to applicable Law but only to the extent amounts sufficient to pay such taxes were not timely distributed to the Partner pursuant to Section 4.01(b)) with respect to income attributable to or distributions or other payments to such Partner.

SECTION 5.08. Tax Matters . The General Partner shall be the initial "tax matters partner" within the meaning of Section 6231(a)(7) of the Code (the " Tax Matters Partner "). The Partnership shall file as a partnership for federal, state, provincial and local income tax purposes, except where otherwise required by Law. All elections required or permitted to be made by the Partnership, and all other tax decisions and determinations relating to federal, state, provincial or local tax matters of the Partnership, shall be made by the Tax Matters Partner, in consultation with the Partnership's attorneys and/or accountants. Tax audits, controversies and litigations shall be conducted under the direction of the Tax Matters Partner. The Tax Matters Partner shall keep the other Partners reasonably informed as to any tax actions, examinations or proceedings relating to the Partnership and shall submit to the other Partners, for their review and comment, any settlement or compromise offer with respect to any disputed item of income, gain, loss, deduction or credit of

the Partnership. As soon as reasonably practicable after the end of each Fiscal Year, the Partnership shall send to each Partner a copy of U.S. Internal Revenue Service Schedule K-1, and any comparable statements required by applicable U.S. state or local income tax Law as a result of the Partnership's activities or investments, with respect to such Fiscal Year. The Partnership also shall provide the Partners with such other information as may be reasonably requested for purposes of allowing the Partners to prepare and file their own tax returns.

SECTION 5.09. Other Allocation Provisions . Certain of the foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such regulations. Sections 5.03, 5.04 and 5.05 may be amended at any time by the General Partner if necessary, in the opinion of tax counsel to the Partnership, to comply with such regulations or any applicable Law, so long as any such amendment does not materially change the relative economic interests of the Partners.

ARTICLE VI

BOOKS AND RECORDS; REPORTS

SECTION 6.01. Books and Records . (a) At all times during the continuance of the Partnership, the Partnership shall prepare and maintain separate books of account for the Partnership in accordance with GAAP.

(b) Except as limited by Section 6.01(c), each Limited Partner shall have the right to receive, for a purpose reasonably related to such Limited Partner's interest as a Limited Partner in the Partnership, upon reasonable written demand stating the purpose of such demand and at such Limited Partner's own expense:

(i) a copy of the Declaration and this Agreement and all amendments thereto, together with a copy of the executed copies of all powers of attorney pursuant to which the Declaration and this Agreement and all amendments thereto have been executed; and

(ii) promptly after their becoming available, copies of the Partnership's federal, state and local income tax returns and reports, if any, for the three most recent years.

(c) The General Partner may keep confidential from the Limited Partners, for such period of time as the General Partner determines in its sole discretion, (i) any information that the General Partner reasonably believes to be in the nature of trade secrets or (ii) other information the disclosure of which the General Partner believes is not in the best interests of the Partnership, could damage the Partnership or its business or that the Partnership is required by law or by agreement with any third party to keep confidential.

ARTICLE VII

PARTNERSHIP UNITS

SECTION 7.01. Units . Interests in the Partnership shall be represented by Units. The Units initially are comprised of one Class: Class A Units. The General Partner may establish,

from time to time in accordance with such procedures as the General Partner shall determine from time to time, other Classes, one or more series of any such Classes, or other Partnership securities with such designations, preferences, rights, powers and duties (which may be senior to existing Classes and series of Units or other Partnership securities), as shall be determined by the General Partner, including (i) the right to share in Profits and Losses or items thereof; (ii) the right to share in Partnership distributions; (iii) the rights upon dissolution and liquidation of the Partnership; (iv) whether, and the terms and conditions upon which, the Partnership may or shall be required to redeem the Units or other Partnership securities (including sinking fund provisions); (v) whether such Unit or other Partnership security is issued with the privilege of conversion or exchange and, if so, the terms and conditions of such conversion or exchange; (vi) the terms and conditions upon which each Unit or other Partnership security will be issued, evidenced by certificates and assigned or transferred; (vii) the method for determining the Total Percentage Interest as to such Units or other Partnership securities; and (viii) the right, if any, of the holder of each such Unit or other Partnership security to vote on Partnership matters, including matters relating to the relative designations, preferences, rights, powers and duties of such Units or other Partnership securities. Except as expressly provided in this Agreement to the contrary, any reference to "Units" shall include the Class A Units and any other Classes that may be established in accordance with this Agreement. All Units of a particular Class shall have identical rights in all respects as all other Units of such Class, except in each case as otherwise specified in this Agreement.

SECTION 7.02. Register . The register of the Partnership shall be the definitive record of ownership of each Unit and all relevant information with respect to each Partner. Such register shall be kept at its registered office and the General Partner shall make changes to the register of the Partnership to reflect any change in relation thereto, such register remaining the definite record of ownership of each Unit and all relevant information with respect to each Partner. Unless the General Partner shall determine otherwise, Units shall be uncertificated and recorded in the books and records of the Partnership.

SECTION 7.03. Registered Partners . The Partnership shall be entitled to recognize the exclusive right of a Person registered on its records as the owner of Units for all purposes and shall not be bound to recognize any equitable or other claim to or interest in Units on the part of any other Person, whether or not it shall have express or other notice thereof, except as otherwise provided by the Act or other applicable Law.

ARTICLE VIII

VESTING; FORFEITURE OF INTERESTS; TRANSFER RESTRICTIONS

SECTION 8.01. Vesting of Initial Unvested Units . (a) Subject to Section 8.02 and except as set forth in Section 8.01(b) or as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, the Initial Unvested Units shall vest and shall thereafter be Vested Units for all purposes of this Agreement as follows:

(i) with respect to each Category 1 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 25% installments on each of the first, second, third and fourth anniversary dates of the consummation of the IPO;

(ii) with respect to each Category 3 Limited Partner and Category 4 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 20% installments on each of the first, second, third, fourth and fifth anniversary dates of the consummation of the IPO; and

(iii) with respect to each Category 5 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 12.5% installments on each of the first, second, third, fourth, fifth, sixth, seventh and eighth anniversary dates of the consummation of the IPO.

(b) Notwithstanding Section 8.01(a), if earlier, the Initial Unvested Units shall vest and shall thereafter be Vested Units for all purposes of this Agreement as follows: (i) upon the Retirement of an Employed Limited Partner, 50% of the Initial Unvested Units owned by such Limited Partner that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement; (ii) upon the death or Disability of an Employed Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement; and (iii) upon the occurrence of a Change in Control, 100% of the Initial Unvested Units that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement.

(c) In addition, the General Partner in its sole discretion may authorize the earlier vesting of all or a portion of the Initial Unvested Units owned by any one or more Limited Partners at any time and from time to time, and in such event, such Initial Unvested Units shall vest and thereafter be Vested Units for all purposes of this Agreement. Any such determination in the General Partner's discretion in respect of Initial Unvested Units shall be final and binding. Such determinations need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise.

(d) Upon the vesting of any Initial Unvested Units in accordance with this Section 8.01, the General Partner shall modify the books and records of the Partnership to reflect such vesting.

SECTION 8.02. Forfeiture of Units Held by Initial Limited Partners . (a) Other than as set forth in Section 8.01(b) and except as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, if a Limited Partner ceases to be an Employed Limited Partner for any reason, such Limited Partner's Unvested Units shall be immediately forfeited without any consideration, and such Limited Partner shall cease to own or have any rights with respect to such Unvested Units; provided , however, that if a Limited Partner ceases to be an Employed Limited Partner after June 30, 2010 in order to become a Government Official, such Limited Partner's Unvested Units shall continue to vest as set forth in Section 8.01 until such Limited Partner ceases to be a Government

Official for any reason, at which point such Limited Partner's Unvested Units shall be immediately forfeited without any consideration (unless such Limited Partner becomes an Employed Limited Partner immediately after such Limited Partner ceases to be such a Government Official, in which case such Limited Partner's Unvested Units shall continue to vest as set forth in Section 8.01) and such Limited Partner shall cease to own or have any rights with respect to such Unvested Units. Immediately upon the forfeiture of any Initial Unvested Units, such Unvested Units that have been so forfeited shall be cancelled.

(b) Except as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, (i) if a Limited Partner that is or was at any time an Employed Limited Partner breaches any Restrictive Covenant to which such Limited Partner is subject or (ii) if an Employed Limited Partner is terminated for Cause, the Initial Units held by such Limited Partner or such Limited Partner's Personal Planning Vehicle at that time (whether or not vested) shall be immediately forfeited without any consideration, and such Limited Partner shall cease to own or have any rights with respect to such Initial Units; provided , however, that Initial Units held by a Personal Planning Vehicle of a Category 1 Limited Partner created prior to the date of this Agreement are not subject to forfeiture. Immediately upon the forfeiture of any Initial Units, such Initial Units that have been so forfeited shall be cancelled.

(c) Upon the forfeiture of any Unvested Units in accordance with this Section 8.02, the General Partner shall modify the books and records of the Partnership to reflect such forfeiture.

SECTION 8.03. Limited Partner Transfers . (a) Except as provided in clauses (b), (c), (d) and (f) of this Section 8.03, no Limited Partner or Assignee thereof may Transfer (including by exchanging in an Exchange Transaction) all or any portion of its Units or other interest in the Partnership (or beneficial interest therein) without the prior consent of the General Partner, which consent may be given or withheld, or made subject to such conditions (including, without limitation, the receipt of such legal opinions and other documents that the General Partner may require) as are determined by the General Partner, in each case in the General Partner's sole discretion. Any such determination in the General Partner's discretion in respect of Units shall be final and binding. Such determinations need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise. Any purported Transfer of Units that is not in accordance with, or subsequently violates, this Agreement shall be, to the fullest extent permitted by law, null and void.

(b) Notwithstanding clause (a) above, except as provided in or pursuant to clauses (b), (c), (d), (e) and (f) below and subject to Section 8.04, (i) each Limited Partner other than a Category 2 Limited Partner may exchange in an Exchange Transaction (x) up to 33 $^{1}/_{3}$% of the Initial Vested Units owned by such Limited Partner on the first anniversary of the consummation of the IPO at any time and from time to time following the first anniversary of the consummation of the IPO; (y) up to 66 $^{2}/_{3}$% of the Initial Vested Units owned by such Limited Partner on the second anniversary of the consummation of the IPO less any Initial Vested Units Transferred pursuant to clause (i) at any time and from time to time following the second anniversary of the consummation of the IPO; and (z) up to 100% of the Initial Vested Units owned by such Limited Partner at any time and from time to time following the third anniversary of the consummation of the IPO; and (ii)

each Category 2 Limited Partner may exchange in an Exchange Transaction (x) up to 33 1/3% of the Initial Vested Units owned by such Limited Partner on December 31, 2008 at any time and from time to time following December 31, 2008; (y) up to 66 2/3% of the Initial Vested Units owned by such Limited Partner on December 31, 2009 less any Initial Vested Units Transferred pursuant to clause (i) at any time and from time to time following December 31, 2009; and (z) up to 100% of the Initial Vested Units owned by such Limited Partner at any time and from time to time following December 31, 2010; provided in each case that any Initial Units owned by a Personal Planning Vehicle of a Limited Partner shall be aggregated with the Initial Units owned by such Limited Partner for purposes of calculating the limitation set forth in this Section 8.03(b); and provided further in each case that Unvested Units may not by Transferred at any time.

(c) Notwithstanding clauses (a) or (b) above, with the prior consent of the General Partner, (i) the Category 1 Limited Partners may make one or more gratuitous Transfers (including by exchanging in an Exchange Transaction) to any Charity at any time and from time to time up to a number of Initial Vested Units owned by such Limited Partners that is equal to the quotient of $250 million divided by the offering price per Common Unit in the IPO for the purpose of making gratuitous transfers to any Charity.

(d) Notwithstanding clauses (a) or (b) above, if earlier: (i) upon the death or Disability of an Employed Limited Partner, such Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; (ii) other than with respect to a Category 1 Limited Partner, following an Employed Limited Partner's termination of employment and after the earlier to occur of (A) one year from the date of termination of employment or (B) the expiration of the longest applicable Restricted Period with respect to such Employed Limited Partner, such Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; (iii) following Mr. Stephen A. Schwarzman's termination of employment, any Category 1 Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; and (iv) upon the occurrence of a Change in Control, any Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; provided that in each case Unvested Units may not by Transferred at any time.

(e) Notwithstanding anything to the contrary herein, other than pursuant to Section 8.03(f), no (i) Limited Partner that is or was a senior managing director of any of the Blackstone Holdings Partnerships or their subsidiaries nor any Personal Planning Vehicle of such Limited Partner or (ii) any Category 6 Limited Partner may effect an Exchange Transaction and/or Transfer any Common Units at any time prior to December 31, 2009 other than pursuant to transactions or programs approved by the General Partner in its sole discretion. Any such determinations by the General Partner need not be uniform and may be made selectively among any such Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise.

(f) Notwithstanding clauses (a), (b), (c), (d) and (e) above, a Personal Planning Vehicle of a Limited Partner may Transfer Class A Units (i) to the donor thereof or to the spouse of the donor thereof; (ii) if the Personal Planning Vehicle is a grantor retained annuity trust and the trustee(s) of such grantor retained annuity trust is obligated to make one or more distributions to the

donor of the grantor retained annuity trust, the estate of the donor of the grantor retained annuity trust, the spouse of the donor of the grantor retained annuity trust or the estate of the spouse of the donor of the grantor retained annuity trust, to any such Persons; or (iii) upon the death of such Limited Partner, to the spouse of such Limited Partner or a trust for which a deduction under Section 2056 or 2056A (or any successor provisions) of the Code may be sought.

SECTION 8.04. Minimum Retained Ownership Requirement . (a) Other than the Category 1 Limited Partners, the Category 2 Limited Partners and the Category 6 Limited Partner and unless otherwise permitted by the General Partner in its sole discretion, each Limited Partner that is or was at any time an Employed Limited Partner other than a Personal Planning Vehicle shall, until the first anniversary of such Employed Limited Partner's termination of employment, continue to hold (and may not Transfer) at least 25% of all Initial Vested Units received collectively by such Employed Limited Partner and by any Personal Planning Vehicle of such Employed Limited Partner (the " Minimum Retained Ownership Requirement "); and provided that upon the Retirement of an Employed Limited Partner, such Limited Partner shall be subject to a Minimum Retained Ownership Requirement of 12.5% instead of 25%. For purposes of this paragraph (a), (i) Units held by a Personal Planning Vehicle of a Limited Partner (other than the portion of the Units received by a Personal Planning Vehicle created prior to the date of this Agreement identified in the books and records of the Partnership as "Non-Minimum Retained Ownership Requirement Units") shall be deemed held by such Limited Partner for purposes of calculating the number of Initial Vested Units received by such Limited Partner and (ii) any Units held by a Personal Planning Vehicle of a Limited Partner shall not be deemed to be held by such Limited Partner for purposes of calculating whether the relevant percentage of Initial Vested Units held satisfies the Minimum Retained Ownership Requirement set forth in this Section 8.04(a).

(b) Unless otherwise approved by the General Partner in its sole discretion, each Category 1 Limited Partner other than a Personal Planning Vehicle shall, until Mr. Stephen A. Schwarzman's termination of employment, continue to hold (and may not Transfer) the lesser of (i) at least 25% of all Initial Vested Units received collectively by the Category 1 Limited Partners and (ii) a number of Initial Units that is equal to the quotient of $1.5 billion divided by the Last Reported Sale Price per Common Unit from time to time. For purposes of this paragraph (b), (i) Units held by a Personal Planning Vehicle of a Category 1 Limited Partner (other than the portion of the Units received by a Personal Planning Vehicle created prior to the date of this Agreement identified in the books and records of the Partnership as "Non-Minimum Retained Ownership Requirement Units") shall be deemed held by such Category 1 Limited Partner for purposes of calculating the number of Initial Vested Units received by such Category 1 Limited Partner and (ii) any Units held by a Personal Planning Vehicle of a Category 1 Limited Partner shall not be deemed to be held by such Category 1 Limited Partner for purposes of calculating whether the relevant percentage of Initial Vested Units held satisfies the Minimum Retained Ownership Requirement set forth in this Section 8.04(b).

SECTION 8.05. Mandatory Exchanges . The General Partner may in its sole discretion at any time and from time to time, without the consent of any Limited Partner, require any Limited Partner other than an Employed Limited Partner to Transfer in an Exchange Transaction all Units held by such Limited Partner. Any such determinations by the General Partner need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated. In addition, the General Partner may, with the consent of

Partners whose Vested Percentage Interests exceed 75% of the Vested Percentage Interests of all Partners in the aggregate, require all Limited Partners to Transfer in an Exchange Transaction all Units held by them.

SECTION 8.06. Encumbrances . No Limited Partner or Assignee may create an Encumbrance with respect to all or any portion of its Units (or any beneficial interest therein) other than Encumbrances that run in favor of the Limited Partner unless the General Partner consents in writing thereto, which consent may be given or withheld, or made subject to such conditions as are determined by the General Partner, in the General Partner's sole discretion. Consent of the General Partner shall be withheld until the holder of the Encumbrance acknowledges the terms and conditions of this Agreement. Any purported Encumbrance that is not in accordance with this Agreement shall be, to the fullest extent permitted by law, null and void.

SECTION 8.07. Further Restrictions . Notwithstanding any contrary provision in this Agreement, in no event may any Transfer of a Unit be made by any Limited Partner or Assignee if:

(a) such Transfer is made to any Person who lacks the legal right, power or capacity to own such Unit;

(b) such Transfer would require the registration of such transferred Unit or of any Class of Unit pursuant to any applicable United States federal or state securities laws (including, without limitation, the Securities Act or the Exchange Act) or other non-U.S securities laws (including Canadian provincial or territorial securities laws) or would constitute a non-exempt distribution pursuant to applicable provincial or state securities laws;

(c) such Transfer would cause (i) all or any portion of the assets of the Partnership to (A) constitute "plan assets" (under ERISA, the Code or any applicable Similar Law) of any existing or contemplated Limited Partner, or (B) be subject to the provisions of ERISA, Section 4975 of the Code or any applicable Similar Law, or (ii) the General Partner to become a fiduciary with respect to any existing or contemplated Limited Partner, pursuant to ERISA, any applicable Similar Law, or otherwise;

(d) to the extent requested by the General Partner, the Partnership does not receive such legal and/or tax opinions and written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as an Assignee) that are in a form satisfactory to the General Partner, as determined in the General Partner's sole discretion.

SECTION 8.08. Rights of Assignees . Subject to Section 8.07, the transferee of any permitted Transfer pursuant to this Article VIII will be an assignee only (" Assignee "), and only will receive, to the extent transferred, the distributions and allocations of income, gain, loss, deduction, credit or similar item to which the Partner which transferred its Units would be entitled, and such Assignee will not be entitled or enabled to exercise any other rights or powers of a Partner, such other rights, and all obligations relating to, or in connection with, such Interest remaining with the transferring Partner. The transferring Partner will remain a Partner even if it has transferred all of its Units to one or more Assignees until such time as the Assignee(s) is admitted to the Partnership as a Partner pursuant to Section 8.10.

SECTION 8.09. Admissions, Withdrawals and Removals . (a) No Person may be admitted to the Partnership as an additional General Partner or substitute General Partner without the prior written consent or ratification of Partners whose Vested Percentage Interests exceed 50% of the Vested Percentage Interests of all Partners in the aggregate. A General Partner will not be entitled to Transfer all of its Units or to withdraw from being a General Partner of the Partnership unless another General Partner shall have been admitted hereunder (and not have previously been removed or withdrawn).

(b) No Limited Partner will be removed or entitled to withdraw from being a Partner of the Partnership except in accordance with Section 8.11 hereof.

(c) Except as otherwise provided in Article IX or the Act, no admission, substitution, withdrawal or removal of a Partner will cause the dissolution of the Partnership. To the fullest extent permitted by law, any purported admission, withdrawal or removal that is not in accordance with this Agreement shall be null and void.

SECTION 8.10. Admission of Assignees as Substitute Limited Partners . An Assignee will become a substitute Limited Partner only if and when each of the following conditions is satisfied:

(a) the General Partner consents in writing to such admission, which consent may be given or withheld, or made subject to such conditions as are determined by the General Partner, in each case in the General Partner's sole discretion;

(b) if required by the General Partner, the General Partner receives written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as a substitute Limited Partner) that are in a form satisfactory to the General Partner (as determined in its sole discretion);

(c) if required by the General Partner, the General Partner receives an opinion of counsel satisfactory to the General Partner to the effect that such Transfer is in compliance with this Agreement and all applicable Law; and

(d) if required by the General Partner, the parties to the Transfer, or any one of them, pays all of the Partnership's reasonable expenses connected with such Transfer (including, but not limited to, the reasonable legal and accounting fees of the Partnership).

SECTION 8.11. Withdrawal and Removal of Limited Partners . If a Limited Partner ceases to hold any Units, then such Limited Partner shall withdraw from the Partnership and shall cease to be a Limited Partner and to have the power to exercise any rights or powers of a Limited Partner.

ARTICLE IX

DISSOLUTION, LIQUIDATION AND TERMINATION

SECTION 9.01. No Dissolution . Except as required by the Act, Partnership shall not be dissolved by the admission of additional Partners or withdrawal of Partners in accordance with the terms of this Agreement. The Partnership may be dissolved, liquidated wound up and terminated only pursuant to the provisions of this Article IX, and the Partners hereby irrevocably waive any and all other rights they may have to cause a dissolution of the Partnership or a sale or partition of any or all of the Partnership assets.

SECTION 9.02. Events Causing Dissolution . The Partnership shall be dissolved and its affairs shall be wound up upon the occurrence of any of the following events (each, a " Dissolution Event "):

(a) the rendering of a judicial judgment ordering the dissolution of the Partnership under the Act upon the finding by a court of competent jurisdiction that the General Partner (i) is permanently incapable of performing its part of this Agreement, (ii) has been guilty of conduct that is calculated to affect prejudicially the carrying on of the business of the Partnership, (iii) willfully or persistently commits a breach of this Agreement or (iv) conducts itself in a manner relating to the Partnership or its business such that it is not reasonably practicable for the other Partners to carry on the business of the Partnership with the General Partner;

(b) any event which makes it unlawful for the business of the Partnership to be carried on by the Partners;

(c) the written consent of all Partners;

(d) any other event not inconsistent with any provision hereof causing a dissolution of the Partnership under the Act;

(e) the Incapacity or removal of the General Partner or the occurrence of a Disabling Event with respect to the General Partner; provided that the Partnership will not be dissolved or required to be wound up in connection with any of the events specified in this Section 9.02(e) if: (i) at the time of the occurrence of such event there is at least one other general partner of the Partnership who is hereby authorized to, and elects to, carry on the business of the Partnership; or (ii) all remaining Limited Partners consent to or ratify the continuation of the business of the Partnership and the appointment of another general partner of the Partnership, effective as of the event that caused the General Partner to cease to be a general partner of the Partnership, within 120 days following the occurrence of any such event, which consent shall be deemed (and if requested each Limited Partner shall provide a written consent or ratification) to have been given for all Limited Partners if the holders of more than 50% of the Vested Units then outstanding agree in writing to so continue the business of the Partnership.

SECTION 9.03. Distribution upon Dissolution . Upon dissolution, the Partnership shall not be terminated and shall continue until the winding up of the affairs of the Partnership is

completed. Upon the winding up of the Partnership, the General Partner, or any other Person designated by the General Partner (the " Liquidation Agent "), shall take full account of the assets and liabilities of the Partnership and shall, unless the General Partner determines otherwise, liquidate the assets of the Partnership as promptly as is consistent with obtaining the fair value thereof. The proceeds of any liquidation shall be applied and distributed in the following order:

(a) First, to the satisfaction of debts and liabilities of the Partnership (including satisfaction of all indebtedness to Partners and/or their Affiliates to the extent otherwise permitted by law) including the expenses of liquidation, and including the establishment of any reserve which the Liquidation Agent shall deem reasonably necessary for any contingent, conditional or unmatured contractual liabilities or obligations of the Partnership (" Contingencies "). Any such reserve may be paid over by the Liquidation Agent to any attorney-at-law, or acceptable party, as escrow agent, to be held for disbursement in payment of any Contingencies and, at the expiration of such period as shall be deemed advisable by the Liquidation Agent for distribution of the balance in the manner hereinafter provided in this Section 9.03; and

(b) The balance, if any, to the Partners, *pro rata* to each of the Partners in accordance with their Total Percentage Interests.

SECTION 9.04. Time for Liquidation . A reasonable amount of time shall be allowed for the orderly liquidation of the assets of the Partnership and the discharge of liabilities to creditors so as to enable the Liquidation Agent to minimize the losses attendant upon such liquidation.

SECTION 9.05. Termination . The Partnership shall terminate when all of the assets of the Partnership, after payment of or due provision for all debts, liabilities and obligations of the Partnership, shall have been distributed to the holders of Units in the manner provided for in this Article IX and the relevant declaration has been filed under the Act.

SECTION 9.06. Claims of the Partners . The Partners shall look solely to the Partnership's assets for the return of their Capital Contributions, and if the assets of the Partnership remaining after payment of or due provision for all debts, liabilities and obligations of the Partnership are insufficient to return such Capital Contributions, the Partners shall have no recourse against the Partnership or any other Partner or any other Person. No Partner with a negative balance in such Partner's Capital Account shall have any obligation to the Partnership or to the other Partners or to any creditor or other Person to restore such negative balance during the existence of the Partnership, upon dissolution or termination of the Partnership or otherwise, except to the extent required by the Act.

SECTION 9.07. Survival of Certain Provisions . Notwithstanding anything to the contrary in this Agreement, the provisions of Section 10.02 and Section 11.09 shall survive the termination of the Partnership.

ARTICLE X

LIABILITY AND INDEMNIFICATION

SECTION 10.01. Liability of Partners .

(a) No Limited Partner shall be liable for any debt, obligation or liability of the Partnership or of any other Partner or have any obligation to restore any deficit balance in its Capital Account solely by reason of being a Partner of the Partnership, except to the extent required by the Act.

(b) This Agreement is not intended to, and does not, create or impose any fiduciary duty on any of the Partners (including without limitation, the General Partner) hereto or on their respective Affiliates. Further, the Partners hereby waive any and all fiduciary duties that, absent such waiver, may exist at or be implied by Law or in equity, and in doing so, recognize, acknowledge and agree that their duties and obligations to one another and to the Partnership are only as expressly set forth in this Agreement and those required by the Act.

(c) To the extent that, at law or in equity, any Partner (including without limitation, the General Partner) has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or to another Partner, the Partners (including without limitation, the General Partner) acting under this Agreement will not be liable to the Partnership or to any such other Partner for their good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict or eliminate the duties and liabilities relating thereto of any Partner (including without limitation, the General Partner) otherwise existing at law or in equity, are agreed by the Partners to replace to that extent such other duties and liabilities of the Partners relating thereto (including without limitation, the General Partner).

(d) The General Partner may consult with legal counsel, accountants and financial or other advisors and any act or omission suffered or taken by the General Partner on behalf of the Partnership or in furtherance of the interests of the Partnership in good faith in reliance upon and in accordance with the advice of such counsel, accountants or financial or other advisors will be full justification for any such act or omission, and the General Partner will be fully protected in so acting or omitting to act so long as such counsel or accountants or financial or other advisors were selected with reasonable care.

(e) Notwithstanding any other provision of this Agreement or otherwise applicable provision of law or equity, whenever in this Agreement the General Partner is permitted or required to make a decision (i) in its “sole discretion” or “discretion” or under a grant of similar authority or latitude, such General Partner shall be entitled to consider only such interests and factors as it desires, including its own interests, and shall, to the fullest extent permitted by applicable Law, have no duty or obligation to give any consideration to any interest of or factors affecting the Partnership or the Limited Partners, or (ii) in its “good faith” or under another expressed standard, such General Partner shall act under such express standard and shall not be subject to any other or different standards.

SECTION 10.02. Indemnification .

(a) Indemnification . To the fullest extent permitted by law, the Partnership shall indemnify any person (and such person's heirs, executors or administrators) who was or is made or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding (brought in the right of the Partnership or otherwise), whether civil, criminal, administrative or investigative, and whether formal or informal, including appeals, by reason of the fact that such person, or a person for whom such person was the legal representative, is or was a Partner (including without limitation, the General Partner) or a director, officer or agent of a Partner (including without limitation, the General Partner) or the Partnership or, while a director, officer or agent of a Partner (including without limitation, the General Partner) or the Partnership, is or was serving at the request of the Partnership as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, limited liability company, nonprofit entity or other enterprise, for and against all loss and liability suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement reasonably incurred by such person or such heirs, executors or administrators in connection with such action, suit or proceeding, including appeals; provided that such person shall not be entitled to indemnification hereunder only to the extent such person's conduct constituted fraud, bad faith or willful misconduct. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.02(c), the Partnership shall be required to indemnify a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the General Partner.

(b) Advancement of Expenses . To the fullest extent permitted by law, the Partnership shall promptly pay expenses (including attorneys' fees) incurred by any person described in Section 10.02(a) in appearing at, participating in or defending any action, suit or proceeding in advance of the final disposition of such action, suit or proceeding, including appeals, upon presentation of an undertaking on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified under this Section 10.02 or otherwise. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.02(c), the Partnership shall be required to pay expenses of a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the General Partner.

(c) Unpaid Claims . If a claim for indemnification (following the final disposition of such action, suit or proceeding) or advancement of expenses under this Section 10.02 is not paid in full within thirty (30) days after a written claim therefor by any person described in Section 10.02(a) has been received by the Partnership, such person may file proceedings to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Partnership shall have the burden of proving that such person is not entitled to the requested indemnification or advancement of expenses under applicable Law.

(d) Insurance . To the fullest extent permitted by law, the Partnership may purchase and maintain insurance on behalf of any person described in Section 10.02(a) against any liability asserted against such person, whether or not the Partnership would have the power to indemnify such person against such liability under the provisions of this Section 10.02 or otherwise.

(e) Non-Exclusivity of Rights . The provisions of this Section 10.02 shall be applicable to all actions, claims, suits or proceedings made or commenced after the date of this Agreement, whether arising from acts or omissions to act occurring before or after its adoption. The provisions of this Section 10.02 shall be deemed to be a contract between the Partnership and each person entitled to indemnification under this Section 10.02 (or legal representative thereof) who serves in such capacity at any time while this Section 10.02 and the relevant provisions of applicable Law, if any, are in effect, and any amendment, modification or repeal hereof shall not affect any rights or obligations then existing with respect to any state of facts or any action, suit or proceeding then or theretofore existing, or any action, suit or proceeding thereafter brought or threatened based in whole or in part on any such state of facts. If any provision of this Section 10.02 shall be found to be invalid or limited in application by reason of any law or regulation, it shall not affect the validity of the remaining provisions hereof. The rights of indemnification provided in this Section 10.02 shall neither be exclusive of, nor be deemed in limitation of, any rights to which any person may otherwise be or become entitled or permitted by contract, this Partnership Agreement or as a matter of law, both as to actions in such person's official capacity and actions in any other capacity, it being the policy of the Partnership that indemnification of any person whom the Partnership is obligated to indemnify pursuant to Section 10.02(a) shall be made to the fullest extent permitted by law.

For purposes of this Section 10.02, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Partnership" shall include any service as a director, officer, employee or agent of the Partnership which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries.

This Section 10.02 shall not limit the right of the Partnership, to the extent and in the manner permitted by law, to indemnify and to advance expenses to, and purchase and maintain insurance on behalf of, persons other than persons described in Section 10.02(a).

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Severability . If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

SECTION 11.02. Notices . All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax, by electronic mail (delivery receipt requested) or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 11.02):

(a) If to the Partnership, to:

Blackstone Holdings IV L.P.
c/o Blackstone Holdings IV GP L.P.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(b) If to any Partner, to:

c/o Blackstone Holdings IV GP L.P.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(c) If to the General Partner, to:

Blackstone Holdings IV GP L.P.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

SECTION 11.03. Cumulative Remedies . The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by Law.

SECTION 11.04. Binding Effect . This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

SECTION 11.05. Interpretation . Throughout this Agreement, nouns, pronouns and verbs shall be construed as masculine, feminine, neuter, singular or plural, whichever shall be applicable. Unless otherwise specified, all references herein to “Articles,” “Sections” and paragraphs shall refer to corresponding provisions of this Agreement.

SECTION 11.06. Counterparts . This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties

hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 11.06.

SECTION 11.07. Further Assurances . Each Limited Partner shall perform all other acts and execute and deliver all other documents as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

SECTION 11.08. Entire Agreement . This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

SECTION 11.09. Governing Law . This Agreement shall be governed by, and construed in accordance with, the law of the Province of Québec.

SECTION 11.10. Submission to Jurisdiction; Waiver of Jury Trial .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the General Partner may bring, or may cause the Partnership to bring, on behalf of the General Partner or the Partnership or on behalf of one or more Partners, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Partner (i) expressly consents to the application of paragraph (c) of this Section 11.10 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the General Partner as such Partner’s agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Partner of any such service of process, shall be deemed in every respect effective service of process upon the Partner in any such action or proceeding.

(c) (i) EACH PARTNER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 11.10, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN

ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable Law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 11.10 and such parties agree not to plead or claim the same.

SECTION 11.11. Expenses . Except as otherwise specified in this Agreement, the Partnership shall be responsible for all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with its operation.

SECTION 11.12. Amendments and Waivers . (a) This Agreement (including the Annexes hereto) may be amended, supplemented, waived or modified by the written consent of the General Partner; provided that any amendment that would have a material adverse effect on the rights or preferences of any Class of Units in relation to other Classes of Units must be approved by the holders of not less than a majority of the Vested Percentage Interests of the Class affected; provided further , that the General Partner may, without the written consent of any Limited Partner or any other Person, amend, supplement, waive or modify any provision of this Agreement and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect: (i) any amendment, supplement, waiver or modification that the General Partner determines to be necessary or appropriate in connection with the creation, authorization or issuance of any class or series of equity interest in the Partnership; (ii) the admission, substitution, withdrawal or removal of Partners in accordance with this Agreement; (iii) a change in the name of the Partnership, the location of the principal place of business of the Partnership, the registered agent of the Partnership or the registered office of the Partnership; (iv) any amendment, supplement, waiver or modification that the General Partner determines in its sole discretion to be necessary or appropriate to address changes in U.S. federal income tax regulations, legislation or interpretation; (v) a change in the Fiscal Year or taxable year of the Partnership and any other changes that the General Partner determines to be necessary or appropriate as a result of a change in the Fiscal Year or taxable year of the Partnership including a change in the dates on which distributions are to be made by the Partnership.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Law.

(c) The General Partner may, in its sole discretion, unilaterally amend this Agreement on or before the effective date of the final regulations to provide for (i) the election of a

safe harbor under Proposed Treasury Regulation Section 1.83-3(l) (or any similar provision) under which the fair market value of a partnership interest that is transferred is treated as being equal to the liquidation value of that interest, (ii) an agreement by the Partnership and each of its Partners to comply with all of the requirements set forth in such regulations and Notice 2005-43 (and any other guidance provided by the Internal Revenue Service with respect to such election) with respect to all partnership interests transferred in connection with the performance of services while the election remains effective, (iii) the allocation of items of income, gains, deductions and losses required by the final regulations similar to Proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(b) and (c), and (iv) any other related amendments.

(d) Except as may be otherwise required by law in connection with the winding-up, liquidation, or dissolution of the Partnership, each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for judicial accounting or for partition of any of the Partnership's property.

SECTION 11.13. No Third Party Beneficiaries . This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their permitted assigns and successors and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement (other than pursuant to Section 10.02 hereof).

SECTION 11.14. Headings . The headings and subheadings in this Agreement are included for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

SECTION 11.15. Construction . Each party hereto acknowledges and agrees it has had the opportunity to draft, review and edit the language of this Agreement and that it is the intent of the parties hereto that no presumption for or against any party arising out of drafting all or any part of this Agreement will be applied in any dispute relating to, in connection with or involving this Agreement. Accordingly, the parties hereby waive to the fullest extent permitted by law the benefit of any rule of Law or any legal decision that would require that in cases of uncertainty, the language of a contract should be interpreted most strongly against the party who drafted such language.

SECTION 11.16. Power of Attorney . Each Limited Partner, by its execution hereof, hereby makes, constitutes and appoints the General Partner as its true and lawful agent and attorney in fact, with full power of substitution and full power and authority in its name, place and stead, to make, execute, sign, acknowledge, swear to, record and file (a) this Agreement and any amendment to this Agreement that has been adopted as herein provided; (b) the original certificate of limited partnership of the Partnership and all amendments thereto required or permitted by law or the provisions of this Agreement; (c) all certificates and other instruments (including consents and ratifications which the Limited Partners have agreed to provide upon a matter receiving the agreed support of Limited Partners) deemed advisable by the General Partner to carry out the provisions of this Agreement (including the provisions of Section 8.05) and Law or to permit the Partnership to become or to continue as a limited partnership or partnership wherein the Limited Partners have limited liability in each jurisdiction where the Partnership may be doing business; (d) all instruments that the General Partner deems appropriate to reflect a change or modification of

this Agreement or the Partnership in accordance with this Agreement, including, without limitation, the admission of additional Limited Partners or substituted Limited Partners pursuant to the provisions of this Agreement; (e) all conveyances and other instruments or papers deemed advisable by the General Partner to effect the liquidation and termination of the Partnership; and (f) all fictitious or assumed name certificates required or permitted (in light of the Partnership's activities) to be filed on behalf of the Partnership.

SECTION 11.17. Letter Agreements; Schedules . The General Partner may, or may cause the Partnership to, without the approval of any Limited Partner or other Person, enter into separate letter agreements with individual Limited Partners with respect to any matter, in each case on terms and conditions not inconsistent with this Agreement, which have the effect of establishing rights under, or supplementing the terms of, this Agreement. The General Partner may from time to time execute and deliver to the Limited Partners schedules which set forth information contained in the books and records of the Partnership and any other matters deemed appropriate by the General Partner. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

SECTION 11.18. Partnership Status . The parties intend to treat the Partnership as a partnership for U.S. federal income tax purposes.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement or have caused this Agreement to be duly executed by their respective authorized officers, in each case as of the date first above stated.

BLACKSTONE HOLDINGS IV GP L.P.

By: Blackstone Holdings IV GP Management L.L.C., its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

AIG BG Holdings Inc.

By: /s/ Win J. Neuger
Name: Win J. Neuger
Title: President

LIMITED PARTNERS

All Limited Partners listed on Schedule I attached hereto, pursuant to the powers of executed in favor of, and granted and delivered to Stephen A. Schwarzman pursuant to Section 8.9 of that certain Contribution and Sale Agreement, dated as of the date hereof, by and among the Partnership, Blackstone Holdings I/II GP Inc., Blackstone Holdings III GP L.L.C., Blackstone Holdings IV GP L.P., Blackstone Holdings V GP L.P., Blackstone Holdings I/II Limited Partner Inc., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P., and the other parties thereto.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Attorney-in-fact

Exhibit 10.5

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

BLACKSTONE HOLDINGS V L.P.

Dated as of June 18, 2007

THE PARTNERSHIP UNITS OF BLACKSTONE HOLDINGS V L.P. HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, THE SECURITIES LAWS OF ANY STATE, PROVINCE OR ANY OTHER APPLICABLE SECURITIES LAWS AND ARE BEING SOLD IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH UNITS MUST BE ACQUIRED FOR INVESTMENT ONLY AND MAY NOT BE OFFERED FOR SALE, PLEDGED, HYPOTHECATED, SOLD, ASSIGNED OR TRANSFERRED AT ANY TIME EXCEPT IN COMPLIANCE WITH (I) THE SECURITIES ACT, ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR PROVINCE, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT. THE UNITS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS LIMITED PARTNERSHIP AGREEMENT. THEREFORE, PURCHASERS AND OTHER TRANSFEREES OF SUCH UNITS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT OR ACQUISITION FOR AN INDEFINITE PERIOD OF TIME.

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MISCELLANEOUS

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

BLACKSTONE HOLDINGS V L.P.

This AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT (this " Agreement ") of Blackstone Holdings V L.P. (the " Partnership ") is made as of the 18th day of June, 2007, by and among Blackstone Holdings V GP L.P., a société en commandite formed under the laws of the Province of Québec, as general partner, and the Limited Partners (as defined herein) of the Partnership.

WHEREAS, the Partnership was formed as a limited partnership pursuant to the Act, by the execution of the Limited Partnership Agreement of the Partnership dated as of June 13, 2007 (the " Original Agreement "); and

WHEREAS, the parties hereto desire to enter into this Amended and Restated Limited Partnership Agreement of the Partnership and to permit the admission of the Limited Partners to the Partnership.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein made and intending to be legally bound hereby, the parties hereto agree to amend and restate the Original Agreement in its entirety to read as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions . Capitalized terms used herein without definition have the following meanings (such meanings being equally applicable to both the singular and plural form of the terms defined):

" Act " means, the Civil Code and An Act respecting legal publicity of sole proprietorships, partnerships and legal persons (Québec), as they may be amended from time to time, and the laws of Québec applicable to partnerships.

" Additional Credit Amount " has the meaning set forth in Section 4.01(b)(ii).

" Adjusted Capital Account Balance " means, with respect to each Partner, the balance in such Partner's Capital Account adjusted (i) by taking into account the adjustments, allocations and distributions described in U.S. Treasury Regulations Sections 1.704-1(b)(2)(ii)(c)(4), (5) and (6); and (ii) by adding to such balance such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5), any amounts such Partner is obligated to restore pursuant to any provision of this Agreement or by applicable Law. The foregoing definition of Adjusted Capital Account Balance is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

" Affiliate " means, with respect to a specified Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such specified Person.

" Agreement " has the meaning set forth in the preamble of this Agreement.

" Amended Tax Amount " has the meaning set forth in Section 4.01(b)(ii).

" Assignee " has the meaning set forth in Section 8.08.

" Assumed Tax Rate " means the highest effective marginal combined U.S. federal, state and local income tax rate for a Fiscal Year prescribed for an individual or corporate resident in New York, New York (taking into account (a) the nondeductiblity of expenses subject to the limitation described in Section 67(a) of the Code and (b) the character (e.g., long-term or short-term capital gain or ordinary or exempt income) of the applicable income, but not taking into account the deductibility of state and local income taxes for U.S. federal income tax purposes). For the avoidance of doubt, the Assumed Tax Rate will be the same for all Partners.

" Available Cash " means, with respect to any fiscal period, the amount of cash on hand which the General Partner, in its reasonable discretion, deems available for distribution to the Partners, taking into account all debts, liabilities and obligations of the Partnership then due and amounts which the General Partner, in its reasonable discretion, deems necessary to expend or retain for working capital or to place into reserves for customary and usual claims with respect to the Partnership's operations.

" Blackstone Holdings Partnerships " means each of the Partnership, Blackstone Holdings I L.P., a Delaware limited partnership, Blackstone Holdings II L.P., a Delaware limited partnership, Blackstone Holdings III L.P., a Delaware limited partnership, and Blackstone Holdings IV L.P., a Québec société en commandite.

" Capital Account " means the separate capital account maintained for each Partner in accordance with Section 5.03 hereof.

" Capital Contribution " means, with respect to any Partner, the aggregate amount of money contributed to the Partnership and the Carrying Value of any property (other than money), net of any liabilities assumed by the Partnership upon contribution or to which such property is subject, contributed to the Partnership pursuant to Article V.

" Carrying Value " means, with respect to any Partnership asset, the asset's adjusted basis for U.S. federal income tax purposes, except that the initial carrying value of assets contributed to the Partnership shall be their respective gross fair market values on the date of contribution as determined by the General Partner, and the Carrying Values of all Partnership assets shall be adjusted to equal their respective fair market values, in accordance with the rules set forth in United States Treasury Regulation Section 1.704-1(b)(2)(iv)(f), except as otherwise provided herein, as of: (a) the date of the acquisition of any additional Partnership Interest by any new or existing Partner in exchange for more than a de minimis Capital Contribution; (b) the date of the distribution of more than a de minimis

amount of Partnership assets to a Partner; (c) the date a Partnership Interest is relinquished to the Partnership; or (d) any other date specified in the United States Treasury Regulations; provided , however, that adjustments pursuant to clauses (a), (b) (c) and (d) above shall be made only if such adjustments are deemed necessary or appropriate by the General Partner to reflect the relative economic interests of the Partners. The Carrying Value of any Partnership asset distributed to any Partner shall be adjusted immediately before such distribution to equal its fair market value. In the case of any asset that has a Carrying Value that differs from its adjusted tax basis, Carrying Value shall be adjusted by the amount of depreciation calculated for purposes of the definition of "Profits (Losses)" rather than the amount of depreciation determined for U.S. federal income tax purposes, and depreciation shall be calculated by reference to Carrying Value rather than tax basis once Carrying Value differs from tax basis.

" Category 1 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 1 Limited Partner.

" Category 2 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 2 Limited Partner.

" Category 3 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 3 Limited Partner.

" Category 4 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 4 Limited Partner.

" Category 5 Limited Partner " means each of the Limited Partners identified in the books and records of the Partnership as a Category 5 Limited Partner.

" Category 6 Limited Partner " means the Limited Partner identified in the books and records of the Partnership as a Category 6 Limited Partner.

" Cause " means the occurrence or existence of any of the following as determined fairly, reasonably, on an informed basis and in good faith by the General Partner: (i) (w) any breach by an Employed Limited Partner of any provision of this Agreement or the Non-Competition Agreement attached hereto, (x) any material breach of any rules or regulations applicable to senior managing directors or employees, as applicable, of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, (y) an Employed Limited Partner's deliberate failure to perform his or her duties to the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, or (z) an Employed Limited Partner's committing to or engaging in any conduct or behavior that is or may be harmful to the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities in any material way (provided that, in the case of any of the foregoing clauses (w), (x), (y) and (z), the General Partner has given the Employed Limited Partner written notice (a " Notice of Breach ") within fifteen days after the General Partner becomes aware of such action and such Employed Limited Partner fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt by the Employed Limited Partner of such Notice of Breach from the General Partner (or such longer period, not to exceed an additional

fifteen days, as shall be reasonably required for such cure, provided , that such Employed Limited Partner is diligently pursuing such cure), (iii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, or (iv) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a U.S. federal or state or comparable non-U.S. regulatory body or by a self-regulatory body having authority with respect to U.S. federal or state or comparable non-U.S. securities laws, rules or regulations of the securities industry, that such Employed Limited Partner individually has violated any U.S. federal or state or comparable non-U.S. securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Employed Limited Partner's ability to function as a senior managing director or employee, as applicable, of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities, taking into account the services required of Employed Limited Partner and the nature of the business of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities or (B) the business of the Blackstone Holdings Partnerships, their subsidiaries and their affiliated entities.

" Change of Control " means the occurrence of any Person, other than a Person approved by the current Issuer General Partner, becoming the general partner of the Issuer.

" Charity " means any organization that is organized and operated for a purpose described in Section 170(c) of the Code (determined without reference to Code Section 170(c)(2)(A)) and described in Code Sections 2055(a) and 2522.

" Civil Code " means the Civil Code of Québec, RSQ ch. C-1991, as it may be amended from time to time.

" Class " means the classes of Units into which the interests in the Partnership may be classified or divided from time to time pursuant to the provisions of this Agreement.

" Class A Units " means the Units of partnership interest in the Partnership designated as the "Class A Units" herein and having the rights pertaining thereto as are set forth in this Agreement.

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

" Common Units " means common units representing limited partner interests of the Issuer.

" Contingencies " has the meaning set forth in Section 9.03(b).

" Control " (including the terms " Controlled by " and " under common Control with ") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting

securities, as trustee or executor, by contract or otherwise, including, without limitation, the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body governing the affairs of such Person.

" Credit Amount " has the meaning set forth in Section 4.01(b)(ii) of this Agreement.

" Creditable Non-U.S. Tax " means a non-U.S. tax paid or accrued for United States federal income tax purposes by the Partnership, in either case to the extent that such tax is eligible for credit under Section 901(a) of the Code. A non-U.S. tax is a Creditable Non-U.S. Tax for these purposes without regard to whether a partner receiving an allocation of such non-U.S. tax elects to claim a credit for such amount. This definition is intended to be consistent with the definition of "Creditable Non-U.S. Tax" in Temporary Treasury Regulations Section 1.704-1T(b)(4)(xi)(*b*), and shall be interpreted consistently therewith.

"Declaration" means the declaration of registration of the Partnership filed with the Registraire des entreprises (Québec) pursuant to the Act, as amended from time to time.

" Disability " means, as to any Person, such Person's inability to perform in all material respects his or her duties and responsibilities to the General Partner, or any of its Affiliates, by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the General Partner may reasonably determine in good faith.

" Disabling Event " means the General Partner ceasing to be the general partner of the Partnership pursuant to Section 17-402 of the Act.

" Dissolution Event " has the meaning set forth in Section 9.02 of this Agreement.

" Employed Limited Partner " means any Limited Partner that is employed by or providing services to the Issuer General Partner, the Issuer, the General Partner, the Partnership or any of its subsidiaries at the time in question, and any Personal Planning Vehicle of such Limited Partner.

" Encumbrance " means any mortgage, claim, lien, encumbrance, conditional sales or other title retention agreement, right of first refusal, preemptive right, pledge, option, charge, security interest or other similar interest, easement, judgment or imperfection of title of any nature whatsoever.

" ERISA " means The Employee Retirement Income Security Act of 1974, as amended.

" Exchange Act " means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

" Exchange Agreement " means the exchange agreement dated as of or about the date hereof among the Issuer, the Blackstone Holdings Partnerships and the limited partners of the Blackstone Holdings Partnerships from time to time, as amended from time to time.

" Exchange Transaction " means an exchange of Units for Common Units pursuant to, and in accordance with, the Exchange Agreement or, if the Issuer and the exchanging Limited Partner shall mutually agree, a Transfer of Units to the Issuer, the Partnership or any of their subsidiaries for other consideration.

" Final Tax Amount " has the meaning set forth in Section 4.01(b)(ii).

" Fiscal Year " means (i) the period commencing upon the formation of the Partnership and ending on December 31, 2007 or (ii) any subsequent twelve-month period commencing on January 1 and ending on December 31.

" GAAP " means accounting principles generally accepted in the United States of America as in effect from time to time.

" General Partner " means Blackstone Holdings V GP L.P., a société en commandite formed under the laws of the Province of Québec or any successor general partner admitted to the Partnership in accordance with the terms of this Agreement.

" Government Official " means a person who holds a high-level, full-time position with a national, supranational, U.S. federal, U.S. state or City of New York government.

" Incapacity " means, with respect to any Person, the bankruptcy, dissolution, termination, entry of an order of incompetence, or the insanity, permanent disability or death of such Person.

" Initial Limited Partner " means each Limited Partner as of the date of this Agreement.

" Initial Units " means, with respect to any Initial Limited Partner, the aggregate number of Class A Units owned by such Initial Limited Partner as of the date of this Agreement.

" Initial Unvested Units " means, with respect to any Initial Limited Partner, the aggregate number of Unvested Units owned by such Initial Limited Partner as of the date of this Agreement.

" Initial Vested Units " means, with respect to any Initial Limited Partner, the aggregate number of Vested Units listed in the books and records of the Partnership as of the date of this Agreement, and any additional Initial Units that have vested from time to time in accordance with Section 8.01 of this Agreement.

" Intangible Assets " means the assets of the Partnership that are described in Section 197(d) of the Code.

" Intangible Asset Gain " means the net gain recognized by the Partnership with respect to the Partnership's Intangible Assets in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership, including but not limited to net capital gain realized in connection with an adjustment to the Carrying Value of Partnership

assets; provided , however , that any such gain shall constitute "Intangible Asset Gain" only to the extent that any such gain exceeds losses previously recognized in an actual or hypothetical sale of Intangible Assets.

" IPO " means the initial public offering and sale of Common Units, as contemplated by the Issuer's Registration Statement on Form S-1 (File No. 333-141504).

" Issuer " means The Blackstone Group L.P., a limited partnership formed under the laws of the State of Delaware, or any successor thereto.

" Issuer General Partner " means Blackstone Group Management L.L.C., a limited liability company formed under the laws of the State of Delaware and the general partner of the Issuer, or any successor general partner of the Issuer.

" Issuer Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of the Issuer to be dated substantially concurrently with the consummation of the IPO, as such agreement of limited partnership may be amended, supplemented or restated from time to time.

" Law " means any statute, law, ordinance, regulation, rule, code, executive order, injunction, judgment, decree or other order issued or promulgated by any national, supranational, state, federal, provincial, local or municipal government or any administrative or regulatory body with authority therefrom with jurisdiction over the Partnership or any Partner, as the case may be.

" Limited Partner " means a special partner, as defined in the Act and, more specifically, each of the Persons from time to time listed as a limited partner in the books and records of the Partnership, and, for purposes of Sections 8.01, 8.02, 8.03, 8.04, 8.05 and 8.06, any Personal Planning Vehicle of such Limited Partner.

" Liquidation Agent " has the meaning set forth in Section 9.03 of this Agreement.

" Last Reported Sale Price " of the Common Units on any date means:

(a) the closing sale price per unit on the New York Stock Exchange on that date (or, if no closing sale price is reported, the last reported sale price);

(b) if the Common Units are not listed for trading on the New York Stock Exchange, the closing sale price (or, if no closing sale price is reported, the last reported sale price) as reported on that date in composite transactions for the principal national securities exchange registered pursuant to Section 6(g) of the Exchange Act on which the Common Units are listed;

(c) if the Common Units are not so listed on a national securities exchange, the last quoted bid price for the Common Units on that date in the over-the-counter market as reported by Pink Sheets LLC or a similar organization; or

(d) if the Common Units are not so quoted by Pink Sheets LLC or a similar organization, the average of the mid-point of the last bid and ask prices for the Common Units on that date from a nationally recognized independent investment banking firm selected by the General Partner for this purpose.

" Minimum Retained Ownership Requirement " has the meaning set forth in Section 8.04(a).

" Net Taxable Income " has the meaning set forth in Section 4.01(b)(i).

" Non-Competition Agreement " means collectively, the Senior Managing Director Non-Competition and Non-Solicitation Agreement and Contracting Employees Non-Competition and Non-Solicitation Agreement dated on or about the date hereof by certain Employed Limited Partners with each of the Blackstone Holdings Partnerships and any agreement with respect to similar subject matter entered into from time to time by an Employed Limited Partner.

" Nonrecourse Deductions " has the meaning set forth in Treasury Regulations Section 1.704-2(b). The amount of Nonrecourse Deductions of the Partnership for a fiscal year equals the net increase, if any, in the amount of Partnership Minimum Gain of the Partnership during that fiscal year, determined according to the provisions of Treasury Regulations Section 1.704-2(c).

" Original Agreement " has the meaning set forth in the preamble of this Agreement.

" Partners " means, at any time, each person listed as a Partner (including the General Partner) on the books and records of the Partnership, in each case for so long as he, she or it remains a partner of the Partnership as provided hereunder.

" Partnership " has the meaning set forth in the preamble of this Agreement.

" Partnership Minimum Gain " has the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

" Partner Nonrecourse Debt Minimum Gain " means an amount with respect to each partner nonrecourse debt (as defined in Treasury Regulations Section 1.704-2(b)(4)) equal to the Partnership Minimum Gain that would result if such partner nonrecourse debt were treated as a nonrecourse liability (as defined in Treasury Regulations Section 1.752-1(a)(2)) determined in accordance with Treasury Regulations Section 1.704-2(i)(3).

" Partner Nonrecourse Deductions " has the meaning ascribed to the term "partner nonrecourse deductions" set forth in Treasury Regulations Section 1.704-2(i)(2).

" Person " means any individual, corporation, partnership, limited partnership, limited liability company, limited company, joint venture, trust, unincorporated or governmental organization or any agency or political subdivision thereof.

" Personal Planning Vehicle " means, in respect of any Limited Partner, any estate, family limited liability company, family limited partnership, or inter vivos or testamentary trust that holds Units that is designated as a Personal Planning Vehicle of such Limited Partner in the books and records of the Partnership.

" Profits " and " Losses " means, for each Fiscal Year or other period, the taxable income or loss of the Partnership, or particular items thereof, determined in accordance with the accounting method used by the Partnership for U.S. federal income tax purposes with the following adjustments: (a) all items of income, gain, loss or deduction allocated pursuant to Section 5.05 shall not be taken into account in computing such taxable income or loss; (b) any income of the Partnership that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Profits and Losses shall be added to such taxable income or loss; (c) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, any gain or loss resulting from a disposition of such asset shall be calculated with reference to such Carrying Value; (d) upon an adjustment to the Carrying Value (other than an adjustment in respect of depreciation) of any asset, pursuant to the definition of Carrying Value, the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (e) if the Carrying Value of any asset differs from its adjusted tax basis for U.S. federal income tax purposes, the amount of depreciation, amortization or cost recovery deductions with respect to such asset for purposes of determining Profits and Losses, if any, shall be an amount which bears the same ratio to such Carrying Value as the U.S. federal income tax depreciation, amortization or other cost recovery deductions bears to such adjusted tax basis (provided that if the U.S. federal income tax depreciation, amortization or other cost recovery deduction is zero, the General Partner may use any reasonable method for purposes of determining depreciation, amortization or other cost recovery deductions in calculating Profits and Losses); and (f) except for items in (a) above, any expenditures of the Partnership not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Profits and Losses pursuant to this definition shall be treated as deductible items.

" Restricted Period ," with respect to each Limited Partner that is or was an Employed Limited Partner, has the meaning set forth in such Limited Partner's Non-Competition Agreement.

" Restrictive Covenant ," with respect to each Limited Partner that is or was an Employed Limited Partner, has the meaning set forth in such Limited Partner's Non-Competition Agreement.

" Retirement " (including the term " Retire ") means retirement of an Employed Limited Partner from his or her employment with the Issuer General Partner, the Issuer, the General Partner, the Partnership or any of their subsidiaries after (a) he or she has reached age 65 and has at least five full years of service, or (b) (i) his or her age plus years of service totals at least 65, (ii) he or she has reached age 50 and (iii) he or she has had a minimum of five years of service; provided , however, that no Employed Limited Partner will be eligible to Retire prior to June 30, 2010.

" Securities Act " means the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

" Similar Law " means any law or regulation that could cause the underlying assets of the Partnership to be treated as assets of the Limited Partner by virtue of its limited partner interest in the Partnership and thereby subject the Partnership and the General Partner (or other persons responsible for the investment and operation of the Partnership's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the Code.

" Tax Advances " has the meaning set forth in Section 5.07.

" Tax Amount " has the meaning set forth in Section 4.01(b)(i).

" Tax Distributions " has the meaning set forth in Section 4.01(b)(i).

" Tax Matters Partner " has the meaning set forth in Section 5.08.

" Total Percentage Interest " means, with respect to any Partner, the quotient obtained by dividing the number of Units (vested or unvested) then owned by such Partner by the number of Units then owned by all Partners.

" Transfer " means, in respect of any Unit, property or other asset, any sale, assignment, transfer, distribution or other disposition thereof, whether voluntarily or by operation of Law, including, without limitation, the exchange of any Unit for any other security.

" Transferee " means any Person that is a transferee of a Partner's interest in the Partnership, or part thereof.

" Treasury Regulations " means the income tax regulations, including temporary regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

" Units " means the Class A Units and any other Class of Units authorized in accordance with this Agreement, which shall constitute interests in the Partnership as provided in this Agreement and under the Act, entitling the holders thereof to the relative rights, title and interests in the profits, losses, deductions and credits of the Partnership at any particular time as set forth in this Agreement, and any and all other benefits to which a holder thereof may be entitled as a Partner as provided in this Agreement, together with the obligations of such Partner to comply with all terms and provisions of this Agreement.

" Unvested Units " means those Units listed as unvested Units in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement.

" Vested Percentage Interest " means, with respect to any Partner, the quotient obtained by dividing the number of Vested Units then owned by such Partner by the number of Vested Units then owned by all Partners.

" Vested Units " means those Units listed as vested Units in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement.

ARTICLE II

FORMATION, TERM, PURPOSE AND POWERS

SECTION 2.01. Formation . The Partnership was formed as a limited partnership under the provisions of the Act by the execution of the Original Agreement. A Declaration was filed with the Registraire des entreprises (Québec) as of June , 2007, in accordance with the provisions of the Act. If requested by the General Partner, the Limited Partners shall promptly execute all certificates and other documents consistent with the terms of this Agreement necessary for the General Partner to accomplish all filing, recording, publishing and other acts as may be appropriate to comply with all requirements for (a) the formation and operation of a limited partnership under the laws of the Province of Québec, (b) if the General Partner deems it advisable, the operation of the Partnership as a limited partnership, or partnership in which the Limited Partners have limited liability, in all jurisdictions where the Partnership proposes to operate and (c) all other filings required to be made by the Partnership.

SECTION 2.02. Name . The name of the Partnership shall be, and the business of the Partnership shall be conducted under the name of, Placements Blackstone V s.e.c. and, in its English version, Blackstone Holdings V L.P.

SECTION 2.03. Term . The term of the Partnership commenced on the date of the Original Agreement, and the term shall continue until the dissolution of the Partnership in accordance with Article IX. The existence of the Partnership shall continue until dissolution of the Partnership in the manner required by the Act.

SECTION 2.04. Offices . The Partnership may have offices at such places either within or outside the Province of Québec as the General Partner from time to time may select. As of the date hereof, the principal place of business and office of the Partnership is located at 345 Park Avenue, New York, New York 10154. The Québec domicile of the Partnership shall be located at 1 Place Ville Marie, 37th Floor, Montréal, Québec, Canada H3B 3P4.

SECTION 2.05. Agent for Service of Process . The Partnership's registered agent for service of process in the Province of Québec shall be as set forth in the Declaration, or such other person as the General Partner shall designate in its sole discretion from time to time.

SECTION 2.06. Business Purpose . The Partnership was formed for the object and purpose of, and the nature and character of the business to be conducted by the Partnership is, engaging in any lawful act or activity for which limited partnerships may be formed under the Act.

SECTION 2.07. Powers of the Partnership . Subject to the limitations set forth in this Agreement, the Partnership will possess and may exercise all of the powers and privileges granted to it by the Act including, without limitation, the ownership and operation of the assets contributed to the Partnership by the Partners, by any other Law or this Agreement, together with all powers incidental thereto, so far as such powers are necessary or convenient to the conduct, promotion or attainment of the purpose of the Partnership set forth in Section 2.06.

SECTION 2.08. Partners; Admission of New Partners . Each of the Persons listed in the books and records of the Partnership, as the same may be amended from time to time in accordance with this Agreement, by virtue of the execution of this Agreement, are admitted as Partners of the Partnership. The rights, duties and liabilities of the Partners shall be as provided in the Act, except as is otherwise expressly provided herein, and the Partners consent to the variation of such rights, duties and liabilities as provided herein. A Person may be admitted from time to time as a new Partner in accordance with Section 8.10; provided , however, that each new Partner shall execute and deliver to the General Partner an appropriate supplement to this Agreement pursuant to which the new Partner agrees to be bound by the terms and conditions of the Agreement, as it may be amended from time to time.

SECTION 2.09. Withdrawal . No Partner shall have the right to withdraw as a Partner of the Partnership other than following the Transfer of all Units owned by such Partner in accordance with Article VIII; provided , however, that a new General Partner or substitute General Partner may be admitted to the Partnership in accordance with Section 8.09.

ARTICLE III

MANAGEMENT

SECTION 3.01. General Partner . (a) The business, property and affairs of the Partnership shall be managed under the sole, absolute and exclusive direction of the General Partner, which may from time to time delegate authority to officers or to others to act on behalf of the Partnership.

(b) Without limiting the foregoing provisions of this Section 3.01, the General Partner shall have the general power to manage or cause the management of the Partnership (which may be delegated to officers of the Partnership), including, without limitation, the following powers:

(i) to develop and prepare a business plan each year which will set forth the operating goals and plans for the Partnership;

(ii) to execute and deliver or to authorize the execution and delivery of contracts, deeds, leases, licenses, instruments of transfer and other documents on behalf of the Partnership;

(iii) the making of any expenditures, the lending or borrowing of money, the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness and the incurring of any other obligations;

(iv) to employ, retain, consult with and dismiss personnel;

(v) to establish and enforce limits of authority and internal controls with respect to all personnel and functions;

(vi) to engage attorneys, consultants and accountants for the Partnership;

(vii) to develop or cause to be developed accounting procedures for the maintenance of the Partnership's books of account; and

(viii) to do all such other acts as shall be authorized in this Agreement or by the Partners in writing from time to time.

SECTION 3.02. Compensation . The General Partner shall not be entitled to any compensation for services rendered to the Partnership in its capacity as General Partner.

SECTION 3.03. Expenses . The Partnership shall bear and/or reimburse the General Partner for any expenses incurred by the General Partner in connection with serving as the general partner of the Partnership.

SECTION 3.04. Officers . Subject to the direction and oversight of the General Partner, the day-to-day administration of the business of the Partnership may be carried out by employees and agents who may be designated as officers by the General Partner, with titles including but not limited to "chief executive officer," "chief financial officer," "chief legal officer," "chief administrative officer," "chief compliance officer," "principal accounting officer," "chairman," "senior chairman," "vice chairman," "president," "vice president," "treasurer," "assistant treasurer," "secretary," "assistant secretary," "general manager," "senior managing director," "managing director" and "director," as and to the extent authorized by the General Partner. The officers of the Partnership shall have such titles and powers and perform such duties as shall be determined from time to time by the General Partner and otherwise as shall customarily pertain to such offices. Any number of offices may be held by the same person. All employees, agents and officers shall be subject to the supervision and direction of the General Partner and may be removed from such office by the General Partner and the authority, duties or responsibilities of any employee, agent or officer of the Partnership may be suspended by the General Partner from time to time, in each case in the sole discretion of the General Partner. The General Partner shall not cease to be a general partner of the Partnership as a result of the delegation of any duties hereunder. No officer of the Partnership, in its capacity as such, shall be considered a general partner of the Partnership by agreement, estoppel, as a result of the performance of its duties hereunder or otherwise.

SECTION 3.05. Authority of Partners . Other than exercising a Limited Partner's rights and powers as a Limited Partner, as contemplated in the Act, no Limited Partner, in its capacity as such, shall participate in or have any control over the business of the Partnership. Except as expressly provided herein, the Units do not confer any rights upon the Limited Partners to participate in the affairs of the Partnership described in this Agreement. Except as expressly provided herein, the Limited Partners shall have no right to vote on any matter involving the Partnership, including with respect to any merger, consolidation, combination or conversion of the

Partnership. The conduct, control and management of the Partnership shall be vested exclusively in the General Partner. In all matters relating to or arising out of the conduct of the operation of the Partnership, the decision of the General Partner shall be the decision of the Partnership. Except as required or permitted by Law, or expressly provided in the ultimate sentence of this Section 3.05 or by separate agreement with the Partnership, no Partner who is not also a General Partner (and acting in such capacity) shall take any part in the management or control of the operation or business of the Partnership in its capacity as a Partner, nor shall any Partner who is not also a General Partner (and acting in such capacity) have any right, authority or power to act for or on behalf of or bind the Partnership in his or its capacity as a Partner in any respect or assume any obligation or responsibility of the Partnership or of any other Partner. Notwithstanding the foregoing, the Partnership may employ one or more Partners from time to time, and such Partners, in their capacity as employees of the Partnership (and not, for clarity, in their capacity as Limited Partners of the Partnership), may take part in the control and management of the business of the Partnership to the extent such authority and power to act for or on behalf of the Partnership has been delegated to them by the General Partner.

SECTION 3.06. Action by Written Consent or Ratification . Any action required or permitted to be taken by the Partners pursuant to this Agreement shall be taken if all Partners whose consent or ratification is required consent thereto or provide a ratification in writing.

ARTICLE IV

DISTRIBUTIONS

SECTION 4.01. Distributions . (a) The General Partner, in its sole discretion, may authorize distributions by the Partnership to the Partners, which distributions shall be made *pro rata* in accordance with the Partners' respective Total Percentage Interests. Notwithstanding the foregoing, any distributions in respect of income of the Partnership earned on or prior to December 31, 2009 shall be made each Fiscal Year (A) first, to the General Partner until sufficient distributions from the Partnership, together with distributions from the other Blackstone Holdings Partnerships to their respective general partners, have been so allocated to permit the Issuer to make aggregate distributions to holders of Common Units of US$1.20 per Common Unit on an annualized basis for such Fiscal Year; (B) second, to the Limited Partners until an amount of distributions (on a per Unit basis) equivalent to the distributions to the General Partner under clause (A) of this Section 4.01 has been distributed in respect of each Limited Partners' respective Total Percentage Interests for such Fiscal Year; and (C) third, *pro rata* in accordance with the Partners' respective Total Percentage Interests.

(b) (i) In addition to the foregoing, if the General Partner reasonably determines that the taxable income of the Partnership for a Fiscal Year will give rise to taxable income for the Partners (" Net Taxable Income "), the General Partner shall cause the Partnership to distribute Available Cash in respect of income tax liabilities (the " Tax Distributions ") to the extent that other distributions made by the Partnership for such year were otherwise insufficient to cover such tax liabilities. The Tax Distributions payable with respect to any Fiscal Year shall be computed based upon the General Partner's estimate of the allocable Net Taxable Income in accordance with Article V, multiplied by the Assumed Tax Rate (the " Tax Amount "). For purposes of computing the Tax Amount, the effect of any benefit under Section 743(b) of the Code will be ignored.

(ii) Tax Distributions shall be calculated and paid no later than one day prior to each quarterly due date for the payment by corporations on a calendar year of estimated taxes under the Code in the following manner (A) for the first quarterly period, 25% of the Tax Amount, (B) for the second quarterly period, 50% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year, (C) for the third quarterly period, 75% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year and (D) for the fourth quarterly period, 100% of the Tax Amount, less the prior Tax Distributions for the Fiscal Year. Following each Fiscal Year, and no later than one day prior to the due date for the payment by corporations of income taxes for such Fiscal Year, the General Partner shall make an amended calculation of the Tax Amount for such Fiscal Year (the " Amended Tax Amount "), and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Amended Tax Amount so calculated exceeds the cumulative Tax Distributions previously made by the Partnership in respect of such Fiscal Year. If the Amended Tax Amount is less than the cumulative Tax Distributions previously made by the Partnership in respect of the relevant Fiscal Year, then the difference (the " Credit Amount ") shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Within 30 days following the date on which the Partnership files a tax return on Form 1065, the General Partner shall make a final calculation of the Tax Amount of such Fiscal Year (the " Final Tax Amount ") and shall cause the Partnership to distribute a Tax Distribution, out of Available Cash, to the extent that the Final Tax Amount so calculated exceeds the Amended Tax Amount. If the Final Tax Amount is less than the Amended Tax Amount in respect of the relevant Fiscal Year, then the difference (" Additional Credit Amount ") shall be applied against, and shall reduce, the amount of Tax Distributions made for subsequent Fiscal Years. Any Credit Amount and Additional Credit Amount applied against future Tax Distributions shall be treated as an amount actually distributed pursuant to this Section 4.01(b) for purposes of the computations herein.

SECTION 4.02. Liquidation Distribution . Distributions made upon dissolution of the Partnership shall be made as provided in Section 9.03.

SECTION 4.03. Limitations on Distribution . Notwithstanding any provision to the contrary contained in this Agreement, the General Partner shall not make a Partnership distribution to any Partner if such distribution would violate Article 2242 of the Civil Code or any other applicable provision of the Act or other applicable Law.

ARTICLE V

CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS; TAX ALLOCATIONS; TAX MATTERS

SECTION 5.01. Initial Capital Contributions . (a) The Partners have made, on or prior to the date hereof, Capital Contributions and, in exchange, the Partnership has issued to the Partners the number of Class A Units as specified in the books and records of the Partnership.

(b) Upon issuance by the Partnership of Class A Units to the Partners, the interests in the Partnership as provided in this Agreement and under the Act held by Blackstone Holdings V GP Limited Partner L.L.C. will be cancelled.

SECTION 5.02. No Additional Capital Contributions . Except as otherwise provided in this Article V, no Partner shall be required to make additional Capital Contributions to the Partnership without the consent of such Partner or permitted to make additional capital contributions to the Partnership without the consent of the General Partner.

SECTION 5.03. Capital Accounts . A separate capital account (a " Capital Account ") shall be established and maintained for each Partner in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv). The Capital Account of each Partner shall be credited with such Partner's Capital Contributions, if any, all Profits allocated to such Partner pursuant to Section 5.04 and any items of income or gain which are specially allocated pursuant to Section 5.05; and shall be debited with all Losses allocated to such Partner pursuant to Section 5.04, any items of loss or deduction of the Partnership specially allocated to such Partner pursuant to Section 5.05, and all cash and the Carrying Value of any property (net of liabilities assumed by such Partner and the liabilities to which such property is subject) distributed by the Partnership to such Partner. Any references in any section of this Agreement to the Capital Account of a Partner shall be deemed to refer to such Capital Account as the same may be credited or debited from time to time as set forth above. In the event of any transfer of any interest in the Partnership in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

SECTION 5.04. Allocations of Profits and Losses . Except as otherwise provided in this Agreement, Profits and Losses (and, to the extent necessary, individual items of income, gain or loss or deduction of the Partnership) shall be allocated in a manner such that the Capital Account of each Partner after giving effect to the Special Allocations set forth in Section 5.05 is, as nearly as possible, equal (proportionately) to (i) the distributions that would be made pursuant to Article IV if the Partnership were dissolved, its affairs wound up and its assets sold for cash equal to their Carrying Value, all Partnership liabilities were satisfied (limited with respect to each non-recourse liability to the Carrying Value of the assets securing such liability) and the net assets of the Partnership were distributed to the Partners pursuant to this Agreement, minus (ii) such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, computed immediately prior to the hypothetical sale of assets. For purposes of this Article V, each Unvested Unit shall be treated as a Vested Unit. Notwithstanding the foregoing, the General Partner shall make such adjustments to Capital Accounts as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a partner's interest in the Partnership.

SECTION 5.05. Special Allocations . Notwithstanding any other provision in this Article V:

(a) Minimum Gain Chargeback . If there is a net decrease in Partnership Minimum Gain or Partner Nonrecourse Debt Minimum Gain (determined in accordance with the principles of Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any Partnership taxable year, the Partners shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to their respective shares of such net decrease

during such year, determined pursuant to Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Treasury Regulations Section 1.704-2(f). This Section 5.05(a) is intended to comply with the minimum gain chargeback requirements in such Treasury Regulations Sections and shall be interpreted consistently therewith; including that no chargeback shall be required to the extent of the exceptions provided in Treasury Regulations Sections 1.704-2(f) and 1.704-2(i)(4).

(b) Qualified Income Offset . If any Partner unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Partnership income and gain shall be specially allocated to such Partner in an amount and manner sufficient to eliminate the deficit balance in such Partner's Adjusted Capital Account Balance created by such adjustments, allocations or distributions as promptly as possible; provided that an allocation pursuant to this Section 5.05(b) shall be made only to the extent that a Partner would have a deficit Adjusted Capital Account Balance in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if this Section 5.05(b) were not in this Agreement. This Section 5.05(b) is intended to comply with the "qualified income offset" requirement of the Code and shall be interpreted consistently therewith.

(c) Gross Income Allocation . If any Partner has a deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of (i) the amount such Partner is obligated to restore, if any, pursuant to any provision of this Agreement, and (ii) the amount such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Section 1.704-2(g)(1) and 1.704-2(i)(5), each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible; provided that an allocation pursuant to this Section 5.05(c) shall be made only if and to the extent that a Partner would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article V have been tentatively made as if Section 5.05(b) and this Section 5.05(c) were not in this Agreement.

(d) Nonrecourse Deductions . Nonrecourse Deductions shall be allocated to the Partners in accordance with their respective Total Percentage Interests.

(e) Partner Nonrecourse Deductions . Partner Nonrecourse Deductions for any taxable period shall be allocated to the Partner who bears the economic risk of loss with respect to the liability to which such Partner Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(j).

(f) Creditable Non-U.S. Taxes . Creditable Non-U.S. Taxes for any taxable period attributable to the Partnership, or an entity owned directly or indirectly by the Partnership, shall be allocated to the Partners in proportion to the partners' distributive shares of income (including income allocated pursuant to Section 704(c) of the Code) to which the Creditable Non-U.S. Tax relates (under principles of Treasury Regulations Section 1.904-6). The provisions of this Section 5.05(f) are intended to comply with the provisions of Temporary Treasury Regulations Section 1.704-1T(b)(4)(xi), and shall be interpreted consistently therewith.

(g) Ameliorative Allocations . Any special allocations of income or gain pursuant to Sections 5.05(b) or 5.05(c) hereof shall be taken into account in computing subsequent allocations

pursuant to Section 5.04 and this Section 5.05(g), so that the net amount of any items so allocated and all other items allocated to each Partner shall, to the extent possible, be equal to the net amount that would have been allocated to each Partner if such allocations pursuant to Sections 5.05(b) or 5.05(c) had not occurred.

SECTION 5.06. Tax Allocations . For income tax purposes, each item of income, gain, loss and deduction of the Partnership shall be allocated among the Partners in the same manner as the corresponding items of Profits and Losses and specially allocated items are allocated for Capital Account purposes; provided that in the case of any asset the Carrying Value of which differs from its adjusted tax basis for U.S. federal income tax purposes, income, gain, loss and deduction with respect to such asset shall be allocated solely for income tax purposes in accordance with the principles of Sections 704(b) and (c) of the Code (in any manner determined by the General Partner and permitted by the Code and Treasury Regulations) so as to take account of the difference between Carrying Value and adjusted basis of such asset. Notwithstanding the foregoing, the General Partner shall make such allocations for tax purposes as it determines in its sole discretion to be appropriate to ensure allocations are made in accordance with a partner's interest in the Partnership.

SECTION 5.07. Tax Advances . To the extent the General Partner reasonably believes that the Partnership is required by law to withhold or to make tax payments on behalf of or with respect to any Partner or the Partnership is subjected to tax itself by reason of the status of any Partner (" Tax Advances "), the General Partner may withhold such amounts and make such tax payments as so required. All Tax Advances made on behalf of a Partner shall be repaid by reducing the amount of the current or next succeeding distribution or distributions which would otherwise have been made to such Partner or, if such distributions are not sufficient for that purpose, by so reducing the proceeds of liquidation otherwise payable to such Partner. For all purposes of this Agreement such Partner shall be treated as having received the amount of the distribution that is equal to the Tax Advance. Each Partner hereby agrees to indemnify and hold harmless the Partnership and the other Partners from and against any liability (including, without limitation, any liability for taxes, penalties, additions to tax or interest other than any penalties, additions to tax or interest imposed as a result of the Partnership's failure to withhold or make a tax payment on behalf of such Partner which withholding or payment is required pursuant to applicable Law but only to the extent amounts sufficient to pay such taxes were not timely distributed to the Partner pursuant to Section 4.01(b)) with respect to income attributable to or distributions or other payments to such Partner.

SECTION 5.08. Tax Matters . The General Partner shall be the initial "tax matters partner" within the meaning of Section 6231(a)(7) of the Code (the " Tax Matters Partner "). The Partnership shall file as a partnership for federal, state, provincial and local income tax purposes, except where otherwise required by Law. All elections required or permitted to be made by the Partnership, and all other tax decisions and determinations relating to federal, state, provincial or local tax matters of the Partnership, shall be made by the Tax Matters Partner, in consultation with the Partnership's attorneys and/or accountants. Tax audits, controversies and litigations shall be conducted under the direction of the Tax Matters Partner. The Tax Matters Partner shall keep the other Partners reasonably informed as to any tax actions, examinations or proceedings relating to the Partnership and shall submit to the other Partners, for their review and comment, any settlement or compromise offer with respect to any disputed item of income, gain, loss, deduction or credit of

the Partnership. As soon as reasonably practicable after the end of each Fiscal Year, the Partnership shall send to each Partner a copy of U.S. Internal Revenue Service Schedule K-1, and any comparable statements required by applicable U.S. state or local income tax Law as a result of the Partnership's activities or investments, with respect to such Fiscal Year. The Partnership also shall provide the Partners with such other information as may be reasonably requested for purposes of allowing the Partners to prepare and file their own tax returns.

SECTION 5.09. Other Allocation Provisions . Certain of the foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such regulations. Sections 5.03, 5.04 and 5.05 may be amended at any time by the General Partner if necessary, in the opinion of tax counsel to the Partnership, to comply with such regulations or any applicable Law, so long as any such amendment does not materially change the relative economic interests of the Partners.

ARTICLE VI

BOOKS AND RECORDS; REPORTS

SECTION 6.01. Books and Records . (a) At all times during the continuance of the Partnership, the Partnership shall prepare and maintain separate books of account for the Partnership in accordance with GAAP.

(b) Except as limited by Section 6.01(c), each Limited Partner shall have the right to receive, for a purpose reasonably related to such Limited Partner's interest as a Limited Partner in the Partnership, upon reasonable written demand stating the purpose of such demand and at such Limited Partner's own expense:

(i) a copy of the Declaration and this Agreement and all amendments thereto, together with a copy of the executed copies of all powers of attorney pursuant to which the Declaration and this Agreement and all amendments thereto have been executed; and

(ii) promptly after their becoming available, copies of the Partnership's federal, state and local income tax returns and reports, if any, for the three most recent years.

(c) The General Partner may keep confidential from the Limited Partners, for such period of time as the General Partner determines in its sole discretion, (i) any information that the General Partner reasonably believes to be in the nature of trade secrets or (ii) other information the disclosure of which the General Partner believes is not in the best interests of the Partnership, could damage the Partnership or its business or that the Partnership is required by law or by agreement with any third party to keep confidential.

ARTICLE VII

PARTNERSHIP UNITS

SECTION 7.01. Units . Interests in the Partnership shall be represented by Units. The Units initially are comprised of one Class: Class A Units. The General Partner may establish,

from time to time in accordance with such procedures as the General Partner shall determine from time to time, other Classes, one or more series of any such Classes, or other Partnership securities with such designations, preferences, rights, powers and duties (which may be senior to existing Classes and series of Units or other Partnership securities), as shall be determined by the General Partner, including (i) the right to share in Profits and Losses or items thereof; (ii) the right to share in Partnership distributions; (iii) the rights upon dissolution and liquidation of the Partnership; (iv) whether, and the terms and conditions upon which, the Partnership may or shall be required to redeem the Units or other Partnership securities (including sinking fund provisions); (v) whether such Unit or other Partnership security is issued with the privilege of conversion or exchange and, if so, the terms and conditions of such conversion or exchange; (vi) the terms and conditions upon which each Unit or other Partnership security will be issued, evidenced by certificates and assigned or transferred; (vii) the method for determining the Total Percentage Interest as to such Units or other Partnership securities; and (viii) the right, if any, of the holder of each such Unit or other Partnership security to vote on Partnership matters, including matters relating to the relative designations, preferences, rights, powers and duties of such Units or other Partnership securities. Except as expressly provided in this Agreement to the contrary, any reference to "Units" shall include the Class A Units and any other Classes that may be established in accordance with this Agreement. All Units of a particular Class shall have identical rights in all respects as all other Units of such Class, except in each case as otherwise specified in this Agreement.

SECTION 7.02. Register . The register of the Partnership shall be the definitive record of ownership of each Unit and all relevant information with respect to each Partner. Such register shall be kept at its registered office and the General Partner shall make changes to the register of the Partnership to reflect any change in relation thereto, such register remaining the definite record of ownership of each Unit and all relevant information with respect to each Partner. Unless the General Partner shall determine otherwise, Units shall be uncertificated and recorded in the books and records of the Partnership.

SECTION 7.03. Registered Partners . The Partnership shall be entitled to recognize the exclusive right of a Person registered on its records as the owner of Units for all purposes and shall not be bound to recognize any equitable or other claim to or interest in Units on the part of any other Person, whether or not it shall have express or other notice thereof, except as otherwise provided by the Act or other applicable Law.

ARTICLE VIII

VESTING; FORFEITURE OF INTERESTS; TRANSFER RESTRICTIONS

SECTION 8.01. Vesting of Initial Unvested Units . (a) Subject to Section 8.02 and except as set forth in Section 8.01(b) or as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, the Initial Unvested Units shall vest and shall thereafter be Vested Units for all purposes of this Agreement as follows:

(i) with respect to each Category 1 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for

all purposes of this Agreement in equal 25% installments on each of the first, second, third and fourth anniversary dates of the consummation of the IPO;

(ii) with respect to each Category 3 Limited Partner and Category 4 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 20% installments on each of the first, second, third, fourth and fifth anniversary dates of the consummation of the IPO; and

(iii) with respect to each Category 5 Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner shall vest and thereafter be Vested Units for all purposes of this Agreement in equal 12.5% installments on each of the first, second, third, fourth, fifth, sixth, seventh and eighth anniversary dates of the consummation of the IPO.

(b) Notwithstanding Section 8.01(a), if earlier, the Initial Unvested Units shall vest and shall thereafter be Vested Units for all purposes of this Agreement as follows: (i) upon the Retirement of an Employed Limited Partner, 50% of the Initial Unvested Units owned by such Limited Partner that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement; (ii) upon the death or Disability of an Employed Limited Partner, 100% of the Initial Unvested Units owned by such Limited Partner that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement; and (iii) upon the occurrence of a Change in Control, 100% of the Initial Unvested Units that are Unvested Units at that time shall vest and thereafter be Vested Units for all purposes of this Agreement.

(c) In addition, the General Partner in its sole discretion may authorize the earlier vesting of all or a portion of the Initial Unvested Units owned by any one or more Limited Partners at any time and from time to time, and in such event, such Initial Unvested Units shall vest and thereafter be Vested Units for all purposes of this Agreement. Any such determination in the General Partner's discretion in respect of Initial Unvested Units shall be final and binding. Such determinations need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise.

(d) Upon the vesting of any Initial Unvested Units in accordance with this Section 8.01, the General Partner shall modify the books and records of the Partnership to reflect such vesting.

SECTION 8.02. Forfeiture of Units Held by Initial Limited Partners . (a) Other than as set forth in Section 8.01(b) and except as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, if a Limited Partner ceases to be an Employed Limited Partner for any reason, such Limited Partner's Unvested Units shall be immediately forfeited without any consideration, and such Limited Partner shall cease to own or have any rights with respect to such Unvested Units; provided , however, that if a Limited Partner ceases to be an Employed Limited Partner after June 30, 2010 in order to become a Government Official, such Limited Partner's Unvested Units shall continue to vest as set forth in Section 8.01 until such Limited Partner ceases to be a Government

Official for any reason, at which point such Limited Partner's Unvested Units shall be immediately forfeited without any consideration (unless such Limited Partner becomes an Employed Limited Partner immediately after such Limited Partner ceases to be such a Government Official, in which case such Limited Partner's Unvested Units shall continue to vest as set forth in Section 8.01) and such Limited Partner shall cease to own or have any rights with respect to such Unvested Units. Immediately upon the forfeiture of any Initial Unvested Units, such Unvested Units that have been so forfeited shall be cancelled.

(b) Except as otherwise agreed to in writing between the General Partner and the applicable Limited Partner and reflected in the books and records of the Partnership, (i) if a Limited Partner that is or was at any time an Employed Limited Partner breaches any Restrictive Covenant to which such Limited Partner is subject or (ii) if an Employed Limited Partner is terminated for Cause, the Initial Units held by such Limited Partner or such Limited Partner's Personal Planning Vehicle at that time (whether or not vested) shall be immediately forfeited without any consideration, and such Limited Partner shall cease to own or have any rights with respect to such Initial Units; provided , however, that Initial Units held by a Personal Planning Vehicle of a Category 1 Limited Partner created prior to the date of this Agreement are not subject to forfeiture. Immediately upon the forfeiture of any Initial Units, such Initial Units that have been so forfeited shall be cancelled.

(c) Upon the forfeiture of any Unvested Units in accordance with this Section 8.02, the General Partner shall modify the books and records of the Partnership to reflect such forfeiture.

SECTION 8.03. Limited Partner Transfers . (a) Except as provided in clauses (b), (c), (d) and (f) of this Section 8.03, no Limited Partner or Assignee thereof may Transfer (including by exchanging in an Exchange Transaction) all or any portion of its Units or other interest in the Partnership (or beneficial interest therein) without the prior consent of the General Partner, which consent may be given or withheld, or made subject to such conditions (including, without limitation, the receipt of such legal opinions and other documents that the General Partner may require) as are determined by the General Partner, in each case in the General Partner's sole discretion. Any such determination in the General Partner's discretion in respect of Units shall be final and binding. Such determinations need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise. Any purported Transfer of Units that is not in accordance with, or subsequently violates, this Agreement shall be, to the fullest extent permitted by law, null and void.

(b) Notwithstanding clause (a) above, except as provided in or pursuant to clauses (b), (c), (d), (e) and (f) below and subject to Section 8.04, (i) each Limited Partner other than a Category 2 Limited Partner may exchange in an Exchange Transaction (x) up to 33 $^{1}/_{3}$% of the Initial Vested Units owned by such Limited Partner on the first anniversary of the consummation of the IPO at any time and from time to time following the first anniversary of the consummation of the IPO; (y) up to 66 $^{2}/_{3}$% of the Initial Vested Units owned by such Limited Partner on the second anniversary of the consummation of the IPO less any Initial Vested Units Transferred pursuant to clause (i) at any time and from time to time following the second anniversary of the consummation of the IPO; and (z) up to 100% of the Initial Vested Units owned by such Limited Partner at any time and from time to time following the third anniversary of the consummation of the IPO; and (ii)

each Category 2 Limited Partner may exchange in an Exchange Transaction (x) up to 33 1/3% of the Initial Vested Units owned by such Limited Partner on December 31, 2008 at any time and from time to time following December 31, 2008; (y) up to 66 2/3% of the Initial Vested Units owned by such Limited Partner on December 31, 2009 less any Initial Vested Units Transferred pursuant to clause (i) at any time and from time to time following December 31, 2009; and (z) up to 100% of the Initial Vested Units owned by such Limited Partner at any time and from time to time following December 31, 2010; provided in each case that any Initial Units owned by a Personal Planning Vehicle of a Limited Partner shall be aggregated with the Initial Units owned by such Limited Partner for purposes of calculating the limitation set forth in this Section 8.03(b); and provided further in each case that Unvested Units may not by Transferred at any time.

(c) Notwithstanding clauses (a) or (b) above, with the prior consent of the General Partner, (i) the Category 1 Limited Partners may make one or more gratuitous Transfers (including by exchanging in an Exchange Transaction) to any Charity at any time and from time to time up to a number of Initial Vested Units owned by such Limited Partners that is equal to the quotient of $250 million divided by the offering price per Common Unit in the IPO for the purpose of making gratuitous transfers to any Charity.

(d) Notwithstanding clauses (a) or (b) above, if earlier: (i) upon the death or Disability of an Employed Limited Partner, such Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; (ii) other than with respect to a Category 1 Limited Partner, following an Employed Limited Partner's termination of employment and after the earlier to occur of (A) one year from the date of termination of employment or (B) the expiration of the longest applicable Restricted Period with respect to such Employed Limited Partner, such Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; (iii) following Mr. Stephen A. Schwarzman's termination of employment, any Category 1 Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; and (iv) upon the occurrence of a Change in Control, any Limited Partner may exchange in an Exchange Transaction at any time and from time to time up to 100% of the Initial Units owned by such Limited Partner; provided that in each case Unvested Units may not by Transferred at any time.

(e) Notwithstanding anything to the contrary herein, other than pursuant to Section 8.03(f), no (i) Limited Partner that is or was a senior managing director of any of the Blackstone Holdings Partnerships or their subsidiaries nor any Personal Planning Vehicle of such Limited Partner or (ii) any Category 6 Limited Partner may effect an Exchange Transaction and/or Transfer any Common Units at any time prior to December 31, 2009 other than pursuant to transactions or programs approved by the General Partner in its sole discretion. Any such determinations by the General Partner need not be uniform and may be made selectively among any such Limited Partners, whether or not such Limited Partners are similarly situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise.

(f) Notwithstanding clauses (a), (b), (c), (d) and (e) above, a Personal Planning Vehicle of a Limited Partner may Transfer Class A Units (i) to the donor thereof or to the spouse of the donor thereof; (ii) if the Personal Planning Vehicle is a grantor retained annuity trust and the trustee(s) of such grantor retained annuity trust is obligated to make one or more distributions to the

donor of the grantor retained annuity trust, the estate of the donor of the grantor retained annuity trust, the spouse of the donor of the grantor retained annuity trust or the estate of the spouse of the donor of the grantor retained annuity trust, to any such Persons; or (iii) upon the death of such Limited Partner, to the spouse of such Limited Partner or a trust for which a deduction under Section 2056 or 2056A (or any successor provisions) of the Code may be sought.

SECTION 8.04. Minimum Retained Ownership Requirement . (a) Other than the Category 1 Limited Partners, the Category 2 Limited Partners and the Category 6 Limited Partner and unless otherwise permitted by the General Partner in its sole discretion, each Limited Partner that is or was at any time an Employed Limited Partner other than a Personal Planning Vehicle shall, until the first anniversary of such Employed Limited Partner's termination of employment, continue to hold (and may not Transfer) at least 25% of all Initial Vested Units received collectively by such Employed Limited Partner and by any Personal Planning Vehicle of such Employed Limited Partner (the " Minimum Retained Ownership Requirement "); and provided that upon the Retirement of an Employed Limited Partner, such Limited Partner shall be subject to a Minimum Retained Ownership Requirement of 12.5% instead of 25%. For purposes of this paragraph (a), (i) Units held by a Personal Planning Vehicle of a Limited Partner (other than the portion of the Units received by a Personal Planning Vehicle created prior to the date of this Agreement identified in the books and records of the Partnership as "Non-Minimum Retained Ownership Requirement Units") shall be deemed held by such Limited Partner for purposes of calculating the number of Initial Vested Units received by such Limited Partner and (ii) any Units held by a Personal Planning Vehicle of a Limited Partner shall not be deemed to be held by such Limited Partner for purposes of calculating whether the relevant percentage of Initial Vested Units held satisfies the Minimum Retained Ownership Requirement set forth in this Section 8.04(a).

(b) Unless otherwise approved by the General Partner in its sole discretion, each Category 1 Limited Partner other than a Personal Planning Vehicle shall, until Mr. Stephen A. Schwarzman's termination of employment, continue to hold (and may not Transfer) the lesser of (i) at least 25% of all Initial Vested Units received collectively by the Category 1 Limited Partners and (ii) a number of Initial Units that is equal to the quotient of $1.5 billion divided by the Last Reported Sale Price per Common Unit from time to time. For purposes of this paragraph (b), (i) Units held by a Personal Planning Vehicle of a Category 1 Limited Partner (other than the portion of the Units received by a Personal Planning Vehicle created prior to the date of this Agreement identified in the books and records of the Partnership as "Non-Minimum Retained Ownership Requirement Units") shall be deemed held by such Category 1 Limited Partner for purposes of calculating the number of Initial Vested Units received by such Category 1 Limited Partner and (ii) any Units held by a Personal Planning Vehicle of a Category 1 Limited Partner shall not be deemed to be held by such Category 1 Limited Partner for purposes of calculating whether the relevant percentage of Initial Vested Units held satisfies the Minimum Retained Ownership Requirement set forth in this Section 8.04(b).

SECTION 8.05. Mandatory Exchanges . The General Partner may in its sole discretion at any time and from time to time, without the consent of any Limited Partner, require any Limited Partner other than an Employed Limited Partner to Transfer in an Exchange Transaction all Units held by such Limited Partner. Any such determinations by the General Partner need not be uniform and may be made selectively among Limited Partners, whether or not such Limited Partners are similarly situated. In addition, the General Partner may, with the consent of

Partners whose Vested Percentage Interests exceed 75% of the Vested Percentage Interests of all Partners in the aggregate, require all Limited Partners to Transfer in an Exchange Transaction all Units held by them.

SECTION 8.06. Encumbrances . No Limited Partner or Assignee may create an Encumbrance with respect to all or any portion of its Units (or any beneficial interest therein) other than Encumbrances that run in favor of the Limited Partner unless the General Partner consents in writing thereto, which consent may be given or withheld, or made subject to such conditions as are determined by the General Partner, in the General Partner's sole discretion. Consent of the General Partner shall be withheld until the holder of the Encumbrance acknowledges the terms and conditions of this Agreement. Any purported Encumbrance that is not in accordance with this Agreement shall be, to the fullest extent permitted by law, null and void.

SECTION 8.07. Further Restrictions . Notwithstanding any contrary provision in this Agreement, in no event may any Transfer of a Unit be made by any Limited Partner or Assignee if:

(a) such Transfer is made to any Person who lacks the legal right, power or capacity to own such Unit;

(b) such Transfer would require the registration of such transferred Unit or of any Class of Unit pursuant to any applicable United States federal or state securities laws (including, without limitation, the Securities Act or the Exchange Act) or other non-U.S securities laws (including Canadian provincial or territorial securities laws) or would constitute a non-exempt distribution pursuant to applicable provincial or state securities laws;

(c) such Transfer would cause (i) all or any portion of the assets of the Partnership to (A) constitute "plan assets" (under ERISA, the Code or any applicable Similar Law) of any existing or contemplated Limited Partner, or (B) be subject to the provisions of ERISA, Section 4975 of the Code or any applicable Similar Law, or (ii) the General Partner to become a fiduciary with respect to any existing or contemplated Limited Partner, pursuant to ERISA, any applicable Similar Law, or otherwise;

(d) to the extent requested by the General Partner, the Partnership does not receive such legal and/or tax opinions and written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as an Assignee) that are in a form satisfactory to the General Partner, as determined in the General Partner's sole discretion.

SECTION 8.08. Rights of Assignees . Subject to Section 8.07, the transferee of any permitted Transfer pursuant to this Article VIII will be an assignee only (" Assignee "), and only will receive, to the extent transferred, the distributions and allocations of income, gain, loss, deduction, credit or similar item to which the Partner which transferred its Units would be entitled, and such Assignee will not be entitled or enabled to exercise any other rights or powers of a Partner, such other rights, and all obligations relating to, or in connection with, such Interest remaining with the transferring Partner. The transferring Partner will remain a Partner even if it has transferred all of its Units to one or more Assignees until such time as the Assignee(s) is admitted to the Partnership as a Partner pursuant to Section 8.10.

SECTION 8.09. Admissions, Withdrawals and Removals . (a) No Person may be admitted to the Partnership as an additional General Partner or substitute General Partner without the prior written consent or ratification of Partners whose Vested Percentage Interests exceed 50% of the Vested Percentage Interests of all Partners in the aggregate. A General Partner will not be entitled to Transfer all of its Units or to withdraw from being a General Partner of the Partnership unless another General Partner shall have been admitted hereunder (and not have previously been removed or withdrawn).

(b) No Limited Partner will be removed or entitled to withdraw from being a Partner of the Partnership except in accordance with Section 8.11 hereof.

(c) Except as otherwise provided in Article IX or the Act, no admission, substitution, withdrawal or removal of a Partner will cause the dissolution of the Partnership. To the fullest extent permitted by law, any purported admission, withdrawal or removal that is not in accordance with this Agreement shall be null and void.

SECTION 8.10. Admission of Assignees as Substitute Limited Partners . An Assignee will become a substitute Limited Partner only if and when each of the following conditions is satisfied:

(a) the General Partner consents in writing to such admission, which consent may be given or withheld, or made subject to such conditions as are determined by the General Partner, in each case in the General Partner's sole discretion;

(b) if required by the General Partner, the General Partner receives written instruments (including, without limitation, copies of any instruments of Transfer and such Assignee's consent to be bound by this Agreement as a substitute Limited Partner) that are in a form satisfactory to the General Partner (as determined in its sole discretion);

(c) if required by the General Partner, the General Partner receives an opinion of counsel satisfactory to the General Partner to the effect that such Transfer is in compliance with this Agreement and all applicable Law; and

(d) if required by the General Partner, the parties to the Transfer, or any one of them, pays all of the Partnership's reasonable expenses connected with such Transfer (including, but not limited to, the reasonable legal and accounting fees of the Partnership).

SECTION 8.11. Withdrawal and Removal of Limited Partners . If a Limited Partner ceases to hold any Units, then such Limited Partner shall withdraw from the Partnership and shall cease to be a Limited Partner and to have the power to exercise any rights or powers of a Limited Partner.

ARTICLE IX

DISSOLUTION, LIQUIDATION AND TERMINATION

SECTION 9.01. No Dissolution . Except as required by the Act, Partnership shall not be dissolved by the admission of additional Partners or withdrawal of Partners in accordance with the terms of this Agreement. The Partnership may be dissolved, liquidated wound up and terminated only pursuant to the provisions of this Article IX, and the Partners hereby irrevocably waive any and all other rights they may have to cause a dissolution of the Partnership or a sale or partition of any or all of the Partnership assets.

SECTION 9.02. Events Causing Dissolution . The Partnership shall be dissolved and its affairs shall be wound up upon the occurrence of any of the following events (each, a " Dissolution Event "):

(a) the rendering of a judicial judgment ordering the dissolution of the Partnership under the Act upon the finding by a court of competent jurisdiction that the General Partner (i) is permanently incapable of performing its part of this Agreement, (ii) has been guilty of conduct that is calculated to affect prejudicially the carrying on of the business of the Partnership, (iii) willfully or persistently commits a breach of this Agreement or (iv) conducts itself in a manner relating to the Partnership or its business such that it is not reasonably practicable for the other Partners to carry on the business of the Partnership with the General Partner;

(b) any event which makes it unlawful for the business of the Partnership to be carried on by the Partners;

(c) the written consent of all Partners;

(d) any other event not inconsistent with any provision hereof causing a dissolution of the Partnership under the Act;

(e) the Incapacity or removal of the General Partner or the occurrence of a Disabling Event with respect to the General Partner; provided that the Partnership will not be dissolved or required to be wound up in connection with any of the events specified in this Section 9.02(e) if: (i) at the time of the occurrence of such event there is at least one other general partner of the Partnership who is hereby authorized to, and elects to, carry on the business of the Partnership; or (ii) all remaining Limited Partners consent to or ratify the continuation of the business of the Partnership and the appointment of another general partner of the Partnership, effective as of the event that caused the General Partner to cease to be a general partner of the Partnership, within 120 days following the occurrence of any such event, which consent shall be deemed (and if requested each Limited Partner shall provide a written consent or ratification) to have been given for all Limited Partners if the holders of more than 50% of the Vested Units then outstanding agree in writing to so continue the business of the Partnership.

SECTION 9.03. Distribution upon Dissolution . Upon dissolution, the Partnership shall not be terminated and shall continue until the winding up of the affairs of the Partnership is

completed. Upon the winding up of the Partnership, the General Partner, or any other Person designated by the General Partner (the " Liquidation Agent "), shall take full account of the assets and liabilities of the Partnership and shall, unless the General Partner determines otherwise, liquidate the assets of the Partnership as promptly as is consistent with obtaining the fair value thereof. The proceeds of any liquidation shall be applied and distributed in the following order:

(a) First, to the satisfaction of debts and liabilities of the Partnership (including satisfaction of all indebtedness to Partners and/or their Affiliates to the extent otherwise permitted by law) including the expenses of liquidation, and including the establishment of any reserve which the Liquidation Agent shall deem reasonably necessary for any contingent, conditional or unmatured contractual liabilities or obligations of the Partnership (" Contingencies "). Any such reserve may be paid over by the Liquidation Agent to any attorney-at-law, or acceptable party, as escrow agent, to be held for disbursement in payment of any Contingencies and, at the expiration of such period as shall be deemed advisable by the Liquidation Agent for distribution of the balance in the manner hereinafter provided in this Section 9.03; and

(b) The balance, if any, to the Partners, *pro rata* to each of the Partners in accordance with their Total Percentage Interests.

SECTION 9.04. Time for Liquidation . A reasonable amount of time shall be allowed for the orderly liquidation of the assets of the Partnership and the discharge of liabilities to creditors so as to enable the Liquidation Agent to minimize the losses attendant upon such liquidation.

SECTION 9.05. Termination . The Partnership shall terminate when all of the assets of the Partnership, after payment of or due provision for all debts, liabilities and obligations of the Partnership, shall have been distributed to the holders of Units in the manner provided for in this Article IX and the relevant declaration has been filed under the Act.

SECTION 9.06. Claims of the Partners . The Partners shall look solely to the Partnership's assets for the return of their Capital Contributions, and if the assets of the Partnership remaining after payment of or due provision for all debts, liabilities and obligations of the Partnership are insufficient to return such Capital Contributions, the Partners shall have no recourse against the Partnership or any other Partner or any other Person. No Partner with a negative balance in such Partner's Capital Account shall have any obligation to the Partnership or to the other Partners or to any creditor or other Person to restore such negative balance during the existence of the Partnership, upon dissolution or termination of the Partnership or otherwise, except to the extent required by the Act.

SECTION 9.07. Survival of Certain Provisions . Notwithstanding anything to the contrary in this Agreement, the provisions of Section 10.02 and Section 11.09 shall survive the termination of the Partnership.

ARTICLE X

LIABILITY AND INDEMNIFICATION

SECTION 10.01. Liability of Partners .

(a) No Limited Partner shall be liable for any debt, obligation or liability of the Partnership or of any other Partner or have any obligation to restore any deficit balance in its Capital Account solely by reason of being a Partner of the Partnership, except to the extent required by the Act.

(b) This Agreement is not intended to, and does not, create or impose any fiduciary duty on any of the Partners (including without limitation, the General Partner) hereto or on their respective Affiliates. Further, the Partners hereby waive any and all fiduciary duties that, absent such waiver, may exist at or be implied by Law or in equity, and in doing so, recognize, acknowledge and agree that their duties and obligations to one another and to the Partnership are only as expressly set forth in this Agreement and those required by the Act.

(c) To the extent that, at law or in equity, any Partner (including without limitation, the General Partner) has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or to another Partner, the Partners (including without limitation, the General Partner) acting under this Agreement will not be liable to the Partnership or to any such other Partner for their good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict or eliminate the duties and liabilities relating thereto of any Partner (including without limitation, the General Partner) otherwise existing at law or in equity, are agreed by the Partners to replace to that extent such other duties and liabilities of the Partners relating thereto (including without limitation, the General Partner).

(d) The General Partner may consult with legal counsel, accountants and financial or other advisors and any act or omission suffered or taken by the General Partner on behalf of the Partnership or in furtherance of the interests of the Partnership in good faith in reliance upon and in accordance with the advice of such counsel, accountants or financial or other advisors will be full justification for any such act or omission, and the General Partner will be fully protected in so acting or omitting to act so long as such counsel or accountants or financial or other advisors were selected with reasonable care.

(e) Notwithstanding any other provision of this Agreement or otherwise applicable provision of law or equity, whenever in this Agreement the General Partner is permitted or required to make a decision (i) in its “sole discretion” or “discretion” or under a grant of similar authority or latitude, such General Partner shall be entitled to consider only such interests and factors as it desires, including its own interests, and shall, to the fullest extent permitted by applicable Law, have no duty or obligation to give any consideration to any interest of or factors affecting the Partnership or the Limited Partners, or (ii) in its “good faith” or under another expressed standard, such General Partner shall act under such express standard and shall not be subject to any other or different standards.

SECTION 10.02. Indemnification .

(a) Indemnification . To the fullest extent permitted by law, the Partnership shall indemnify any person (and such person's heirs, executors or administrators) who was or is made or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding (brought in the right of the Partnership or otherwise), whether civil, criminal, administrative or investigative, and whether formal or informal, including appeals, by reason of the fact that such person, or a person for whom such person was the legal representative, is or was a Partner (including without limitation, the General Partner) or a director, officer or agent of a Partner (including without limitation, the General Partner) or the Partnership or, while a director, officer or agent of a Partner (including without limitation, the General Partner) or the Partnership, is or was serving at the request of the Partnership as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, limited liability company, nonprofit entity or other enterprise, for and against all loss and liability suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement reasonably incurred by such person or such heirs, executors or administrators in connection with such action, suit or proceeding, including appeals; provided that such person shall not be entitled to indemnification hereunder only to the extent such person's conduct constituted fraud, bad faith or willful misconduct. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.02(c), the Partnership shall be required to indemnify a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the General Partner.

(b) Advancement of Expenses . To the fullest extent permitted by law, the Partnership shall promptly pay expenses (including attorneys' fees) incurred by any person described in Section 10.02(a) in appearing at, participating in or defending any action, suit or proceeding in advance of the final disposition of such action, suit or proceeding, including appeals, upon presentation of an undertaking on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified under this Section 10.02 or otherwise. Notwithstanding the preceding sentence, except as otherwise provided in Section 10.02(c), the Partnership shall be required to pay expenses of a person described in such sentence in connection with any action, suit or proceeding (or part thereof) commenced by such person only if the commencement of such action, suit or proceeding (or part thereof) by such person was authorized by the General Partner.

(c) Unpaid Claims . If a claim for indemnification (following the final disposition of such action, suit or proceeding) or advancement of expenses under this Section 10.02 is not paid in full within thirty (30) days after a written claim therefor by any person described in Section 10.02(a) has been received by the Partnership, such person may file proceedings to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Partnership shall have the burden of proving that such person is not entitled to the requested indemnification or advancement of expenses under applicable Law.

(d) Insurance . To the fullest extent permitted by law, the Partnership may purchase and maintain insurance on behalf of any person described in Section 10.02(a) against any liability asserted against such person, whether or not the Partnership would have the power to indemnify such person against such liability under the provisions of this Section 10.02 or otherwise.

(e) Non-Exclusivity of Rights . The provisions of this Section 10.02 shall be applicable to all actions, claims, suits or proceedings made or commenced after the date of this Agreement, whether arising from acts or omissions to act occurring before or after its adoption. The provisions of this Section 10.02 shall be deemed to be a contract between the Partnership and each person entitled to indemnification under this Section 10.02 (or legal representative thereof) who serves in such capacity at any time while this Section 10.02 and the relevant provisions of applicable Law, if any, are in effect, and any amendment, modification or repeal hereof shall not affect any rights or obligations then existing with respect to any state of facts or any action, suit or proceeding then or theretofore existing, or any action, suit or proceeding thereafter brought or threatened based in whole or in part on any such state of facts. If any provision of this Section 10.02 shall be found to be invalid or limited in application by reason of any law or regulation, it shall not affect the validity of the remaining provisions hereof. The rights of indemnification provided in this Section 10.02 shall neither be exclusive of, nor be deemed in limitation of, any rights to which any person may otherwise be or become entitled or permitted by contract, this Partnership Agreement or as a matter of law, both as to actions in such person's official capacity and actions in any other capacity, it being the policy of the Partnership that indemnification of any person whom the Partnership is obligated to indemnify pursuant to Section 10.02(a) shall be made to the fullest extent permitted by law.

For purposes of this Section 10.02, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Partnership" shall include any service as a director, officer, employee or agent of the Partnership which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries.

This Section 10.02 shall not limit the right of the Partnership, to the extent and in the manner permitted by law, to indemnify and to advance expenses to, and purchase and maintain insurance on behalf of, persons other than persons described in Section 10.02(a).

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Severability . If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

SECTION 11.02. Notices . All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax, by electronic mail (delivery receipt requested) or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 11.02):

(a) If to the Partnership, to:

Blackstone Holdings V L.P.
c/o Blackstone Holdings V GP L.P.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(b) If to any Partner, to:

c/o Blackstone Holdings V GP L.P.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(c) If to the General Partner, to:

Blackstone Holdings V GP L.P.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

SECTION 11.03. Cumulative Remedies . The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by Law.

SECTION 11.04. Binding Effect . This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

SECTION 11.05. Interpretation . Throughout this Agreement, nouns, pronouns and verbs shall be construed as masculine, feminine, neuter, singular or plural, whichever shall be applicable. Unless otherwise specified, all references herein to “Articles,” “Sections” and paragraphs shall refer to corresponding provisions of this Agreement.

SECTION 11.06. Counterparts . This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties

hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 11.06.

SECTION 11.07. Further Assurances . Each Limited Partner shall perform all other acts and execute and deliver all other documents as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

SECTION 11.08. Entire Agreement . This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

SECTION 11.09. Governing Law . This Agreement shall be governed by, and construed in accordance with, the law of the Province of Québec.

SECTION 11.10. Submission to Jurisdiction; Waiver of Jury Trial .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the General Partner may bring, or may cause the Partnership to bring, on behalf of the General Partner or the Partnership or on behalf of one or more Partners, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Partner (i) expressly consents to the application of paragraph (c) of this Section 11.10 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the General Partner as such Partner’s agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Partner of any such service of process, shall be deemed in every respect effective service of process upon the Partner in any such action or proceeding.

(c) (i) EACH PARTNER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 11.10, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN

ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable Law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 11.10 and such parties agree not to plead or claim the same.

SECTION 11.11. Expenses . Except as otherwise specified in this Agreement, the Partnership shall be responsible for all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with its operation.

SECTION 11.12. Amendments and Waivers . (a) This Agreement (including the Annexes hereto) may be amended, supplemented, waived or modified by the written consent of the General Partner; provided that any amendment that would have a material adverse effect on the rights or preferences of any Class of Units in relation to other Classes of Units must be approved by the holders of not less than a majority of the Vested Percentage Interests of the Class affected; provided further , that the General Partner may, without the written consent of any Limited Partner or any other Person, amend, supplement, waive or modify any provision of this Agreement and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect: (i) any amendment, supplement, waiver or modification that the General Partner determines to be necessary or appropriate in connection with the creation, authorization or issuance of any class or series of equity interest in the Partnership; (ii) the admission, substitution, withdrawal or removal of Partners in accordance with this Agreement; (iii) a change in the name of the Partnership, the location of the principal place of business of the Partnership, the registered agent of the Partnership or the registered office of the Partnership; (iv) any amendment, supplement, waiver or modification that the General Partner determines in its sole discretion to be necessary or appropriate to address changes in U.S. federal income tax regulations, legislation or interpretation; (v) a change in the Fiscal Year or taxable year of the Partnership and any other changes that the General Partner determines to be necessary or appropriate as a result of a change in the Fiscal Year or taxable year of the Partnership including a change in the dates on which distributions are to be made by the Partnership.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder (other than a failure or delay beyond a period of time specified herein) shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Law.

(c) The General Partner may, in its sole discretion, unilaterally amend this Agreement on or before the effective date of the final regulations to provide for (i) the election of a

safe harbor under Proposed Treasury Regulation Section 1.83-3(l) (or any similar provision) under which the fair market value of a partnership interest that is transferred is treated as being equal to the liquidation value of that interest, (ii) an agreement by the Partnership and each of its Partners to comply with all of the requirements set forth in such regulations and Notice 2005-43 (and any other guidance provided by the Internal Revenue Service with respect to such election) with respect to all partnership interests transferred in connection with the performance of services while the election remains effective, (iii) the allocation of items of income, gains, deductions and losses required by the final regulations similar to Proposed Treasury Regulation Section 1.704-1(b)(4)(xii)(b) and (c), and (iv) any other related amendments.

(d) Except as may be otherwise required by law in connection with the winding-up, liquidation, or dissolution of the Partnership, each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for judicial accounting or for partition of any of the Partnership's property.

SECTION 11.13. No Third Party Beneficiaries . This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and their permitted assigns and successors and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement (other than pursuant to Section 10.02 hereof).

SECTION 11.14. Headings . The headings and subheadings in this Agreement are included for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

SECTION 11.15. Construction . Each party hereto acknowledges and agrees it has had the opportunity to draft, review and edit the language of this Agreement and that it is the intent of the parties hereto that no presumption for or against any party arising out of drafting all or any part of this Agreement will be applied in any dispute relating to, in connection with or involving this Agreement. Accordingly, the parties hereby waive to the fullest extent permitted by law the benefit of any rule of Law or any legal decision that would require that in cases of uncertainty, the language of a contract should be interpreted most strongly against the party who drafted such language.

SECTION 11.16. Power of Attorney . Each Limited Partner, by its execution hereof, hereby makes, constitutes and appoints the General Partner as its true and lawful agent and attorney in fact, with full power of substitution and full power and authority in its name, place and stead, to make, execute, sign, acknowledge, swear to, record and file (a) this Agreement and any amendment to this Agreement that has been adopted as herein provided; (b) the original certificate of limited partnership of the Partnership and all amendments thereto required or permitted by law or the provisions of this Agreement; (c) all certificates and other instruments (including consents and ratifications which the Limited Partners have agreed to provide upon a matter receiving the agreed support of Limited Partners) deemed advisable by the General Partner to carry out the provisions of this Agreement (including the provisions of Section 8.05) and Law or to permit the Partnership to become or to continue as a limited partnership or partnership wherein the Limited Partners have limited liability in each jurisdiction where the Partnership may be doing business; (d) all instruments that the General Partner deems appropriate to reflect a change or modification of

this Agreement or the Partnership in accordance with this Agreement, including, without limitation, the admission of additional Limited Partners or substituted Limited Partners pursuant to the provisions of this Agreement; (e) all conveyances and other instruments or papers deemed advisable by the General Partner to effect the liquidation and termination of the Partnership; and (f) all fictitious or assumed name certificates required or permitted (in light of the Partnership's activities) to be filed on behalf of the Partnership.

SECTION 11.17. Letter Agreements; Schedules . The General Partner may, or may cause the Partnership to, without the approval of any Limited Partner or other Person, enter into separate letter agreements with individual Limited Partners with respect to any matter, in each case on terms and conditions not inconsistent with this Agreement, which have the effect of establishing rights under, or supplementing the terms of, this Agreement. The General Partner may from time to time execute and deliver to the Limited Partners schedules which set forth information contained in the books and records of the Partnership and any other matters deemed appropriate by the General Partner. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

SECTION 11.18. Partnership Status . The parties intend to treat the Partnership as a partnership for U.S. federal income tax purposes.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement or have caused this Agreement to be duly executed by their respective authorized officers, in each case as of the date first above stated.

BLACKSTONE HOLDINGS V GP L.P.

By: Blackstone Holdings V GP Management (Delaware) L.P., its general partner

By: Blackstone Holdings V GP Management L.L.C., its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

AIG BG Holdings Inc.

By: /s/ Win J. Neuger
Name: Win J. Neuger
Title: President

LIMITED PARTNERS

All Limited Partners listed on Schedule I attached hereto, pursuant to the powers of executed in favor of, and granted and delivered to Stephen A. Schwarzman pursuant to Section 8.9 of that certain Contribution and Sale Agreement, dated as of the date hereof, by and among the Partnership, Blackstone Holdings I/II GP Inc., Blackstone Holdings III GP L.L.C., Blackstone Holdings IV GP L.P., Blackstone Holdings V GP L.P., Blackstone Holdings I/II Limited Partner Inc., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P., and the other parties thereto.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Attorney-in-fact

Exhibit 10.6

TAX RECEIVABLE AGREEMENT

dated as of

June 18, 2007

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ARTICLE VII
MISCELLANEOUS

This TAX RECEIVABLE AGREEMENT (as amended from time to time, this " Agreement "), dated as of June 18, 2007, is hereby entered into by and among Blackstone Holdings I/II GP Inc., a Delaware corporation (the " Corporate Taxpayer "), Blackstone Holdings I L.P., a Delaware limited partnership (" Blackstone Holdings I "), Blackstone Holdings II L.P., a Delaware limited partnership (" Blackstone Holdings II ") (together with all other Persons (as defined herein) in which the Corporate Taxpayer acquires a partnership interest, member interest or similar interest after the date hereof and who executes and delivers a joinder contemplated in Section 7.11, the " Partnerships "), and each of the undersigned parties hereto identified as " Limited Partners ."

RECITALS

WHEREAS, the Limited Partners hold interests as partners or members of entities (the " Prior Entities ") and are selling such interests to the Corporate Taxpayer (the " Initial Sale ") as described in the Form S-1 Registration Statement of The Blackstone Group L.P., a Delaware limited partnership (the " Parent ");

WHEREAS, the Limited Partners hold limited partner interests (" Partnership Units ") in each of the Partnerships, each of which is treated as a partnership for U.S. Federal income tax purposes;

WHEREAS, the Corporate Taxpayer is the general partner of each of the Partnerships;

WHEREAS, the Partnership Units, together with limited partner interests in the other Blackstone Holdings Partnerships (as defined below), are exchangeable with the Corporate Taxpayer and the Parent for Common Units (the " Common Units ") in the Parent, subject to the provisions of the Exchange Agreement (as defined below);

WHEREAS, the Prior Entities, the Partnerships, and each of their direct and indirect subsidiaries, will have in effect an election under Section 754 of the Internal Revenue Code of 1986, as amended (the " Code "), for the Taxable Year in which the Initial Sale occurs and for each Taxable Year in which an exchange of Partnership Units for Common Units occurs, which elections are intended generally to result in an adjustment to the tax basis of the assets owned by the Partnerships (solely with respect to the Corporate Taxpayer) at the time of an exchange of Partnership Units for Common Units or any other acquisition of Partnership Units for cash or other consideration, including the Initial Sale (collectively, an " Exchange ") (such time, the " Exchange Date ") (such assets and any asset whose tax basis is determined, in whole or in part, by reference to the adjusted basis of any such asset, the " Original Assets ") by reason of such Exchange and the receipt of payments under this Agreement;

WHEREAS, the income, gain, loss, expense and other Tax items of (i) the Partnerships solely with respect to the Corporate Taxpayer may be affected by the Basis Adjustment (defined below) and (ii) the Corporate Taxpayer may be affected by the Imputed Interest (as defined below);

WHEREAS, the parties to this Agreement desire to make certain arrangements with respect to the effect of the Basis Adjustment and Imputed Interest on the actual liability for Taxes of the Corporate Taxpayer;

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth herein, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions . As used in this Agreement, the terms set forth in this Article I shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

" Affiliate " means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such first Person.

" Agreed Rate " means LIBOR plus 100 basis points.

" Agreement " is defined in the Recitals of this Agreement.

" Amended Schedule " is defined in Section 2.04(b) of this Agreement.

" Basis Adjustment " means the adjustment to the tax basis of an Original Asset under Section 732 of the Code (in situations where, as a result of one or more Exchanges, a Partnership becomes an entity that is disregarded as separate from its owner for tax purposes), Section 1012 of the Code, or Sections 743(b) and 754 of the Code (in situations where, following an Exchange, a Partnership remains in existence as an entity for tax purposes) and, in each case, comparable sections of state, local and foreign tax laws (as calculated under Section 2.01 of this Agreement) as a result of an Exchange and the payments made pursuant to this Agreement. Notwithstanding any other provision of this Agreement, the amount of any Basis Adjustment resulting from an Exchange of one or more Partnership Units shall be determined without regard to any Pre-Exchange Transfer of such Partnership Units and as if any such Pre-Exchange Transfer had not occurred.

" Blackstone Holdings General Partners " means, collectively, the Corporate Taxpayer, Blackstone Holdings III GP L.P., a Delaware limited partnership (" Blackstone Holdings III "), Blackstone Holdings IV GP L.P., a Delaware limited partnership (" Blackstone Holdings IV "), and Blackstone Holdings V GP L.P., a Québec société en commandite (" Blackstone Holdings V ").

" Blackstone Holdings Partnerships " means, collectively, Blackstone Holdings I, Blackstone Holdings II, Blackstone Holdings III L.P., a Delaware limited partnership (" Blackstone Holdings III "), Blackstone Holdings IV L.P., a Québec société en commandite (" Blackstone Holdings IV "), and Blackstone Holdings V L.P., a Québec société en commandite (" Blackstone Holdings V ").

" Business Day " means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America or the State of New York shall not be regarded as a Business Day.

" Change of Control " means the occurrence of any Person, other than a Person approved by the current General Partner, becoming the general partner of the Parent.

" Common Units " is defined in the Recitals of this Agreement.

" Code " is defined in the Recitals of this Agreement.

" 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 ownership of voting securities, by contract or otherwise.

" Corporate Taxpayer " is defined in the Recitals of this Agreement.

" Corporate Taxpayer Return " means the federal Tax Return and/or state and/or local and/or foreign Tax Return, as applicable, of the Corporate Taxpayer filed with respect to Taxes of any Taxable Year.

" Default Rate " means LIBOR plus 500 basis points.

" Determination " shall have the meaning ascribed to such term in Section 1313(a) of the Code or similar provision of state, local and foreign tax law, as applicable, or any other event (including the execution of a Form 870-AD) that finally and conclusively establishes the amount of any liability for Tax.

" Early Termination Date " means the date of an Early Termination Notice for purposes of determining the Early Termination Payment.

" Early Termination Notice " is defined in Section 4.02 of this Agreement.

" Early Termination Schedule " is defined in Section 4.02 of this Agreement.

" Early Termination Payment " is defined in Section 4.03(b) of this Agreement.

" Early Termination Rate " means the lesser of (i) 6.5% and (ii) LIBOR plus 100 basis points.

" Exchange " is defined in the Recitals of this Agreement.

" Exchange Agreement " means the Exchange Agreement, dated as of the date hereof, among the Parent, the Corporate Taxpayer and the limited partners of Blackstone Holdings from time to time.

" Exchange Basis Schedule " is defined in Section 2.02 of this Agreement.

" Exchange Date " is defined in the Recitals of this Agreement.

" Exchange Payment " is defined in Section 5.01.

" Excluded Assets " is defined in Section 7.11(c) of this Agreement.

" Expert " is defined in Section 7.09 of this Agreement.

" General Partner " means Blackstone Management L.L.C., a Delaware limited liability company and the general partner of the Parent.

" Initial Sale " is defined in the Recitals of this Agreement.

" Imputed Interest " shall mean any interest imputed under Section 1272, 1274 or 483 or other provision of the Code and any similar provision of state, local and foreign tax law with respect to the Corporate Taxpayer's payment obligations under this Agreement.

" LIBOR " means for each month (or portion thereof) during any period, an interest rate per annum equal to the rate per annum reported, on the date two days prior to the first day of such month, on the Telerate Page 3750 (or if such screen shall cease to be publicly available, as reported on Reuters Screen page "LIBO" or by any other publicly available source of such market rate) for London interbank offered rates for U.S. dollar deposits for such month (or portion thereof).

" Limited Partner " means the parties hereto other than the Corporate Taxpayer and each other individual who from time to time executes a joinder agreement.

" Limited Partner Group Member " has the meaning assigned to such term in the Amended and Restated Limited Liability Company Agreement of the General Partner, as it may be amended, supplemented or restated from time to time.

" Market Value " shall mean the closing price of the Common Units on the applicable Exchange Date on the national securities exchange or interdealer quotation system on which such Common Units are then traded or listed, as reported by the Wall Street Journal; provided that if the closing price is not reported by the Wall Street Journal for the applicable Exchange Date, then the Market Value shall mean the closing price of the Common Units on the Business Day immediately preceding such Exchange Date on the national securities exchange or interdealer quotation system on which such Common Units are then traded or listed, as reported by the Wall Street Journal; provided further, that if the Common Units are not then listed on a National Securities Exchange or Interdealer Quotation System, " Market Value " shall mean the cash consideration paid for Common Units, or the fair market value of the other property delivered for Common Units, as determined by the board of directors of the General Partner in good faith.

" Material Objection Notice " has the meaning set forth in Section 4.02.

" Non-Stepped Up Tax Basis " means, with respect to any asset at any time, the tax basis that such asset would have had at such time if no Basis Adjustment had been made.

" Non-Stepped Up Tax Liability " means, with respect to any Taxable Year, the liability for Taxes of i) the Corporate Taxpayer or ii) any Partnership in which the Corporate Taxpayer owns an interest but only with respect to Taxes imposed on such Partnership and allocable to the Corporate Taxpayer, in each case using the same methods, elections, conventions and similar practices used on the relevant Corporate Taxpayer Return, but using the Non-Stepped Up Tax Basis instead of the tax basis of the Original Assets and excluding any deduction attributable to the Imputed Interest.

" Objection Notice " has the meaning set forth in Section 2.04(a).

" Original Assets " is defined in the Recitals of this Agreement.

" Parent " is defined in the Recitals of this Agreement.

" Partnerships " is defined in the Recitals of this Agreement.

" Partnership Agreement " means, with respect to a Partnership, the Amended and Restated Limited Partnership Agreement of such Partnership.

" Partnership Units " is defined in the Recitals of this Agreement.

" Payment Date " means any date on which a payment is required to be made pursuant to this Agreement.

" Person " means any individual, corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association, organization, governmental entity or other entity.

" Pre-Exchange Transfer " means any transfer (including upon the death of a Limited Partner) of one or more Partnership Units (i) that occurs prior to an Exchange of such Partnership Units, and (ii) to which Section 743(b) of the Code applies.

" Prior Entities " is defined in the Recitals of this Agreement.

" Realized Tax Benefit " means, for a Taxable Year, the excess, if any, of the Non-Stepped Up Tax Liability over the actual liability for Taxes of i) the Corporate Taxpayer or ii) any Partnership in which the Corporate Taxpayer owns an interest but only with respect to Taxes imposed on such Partnership and allocable to Corporate Taxpayer for such Taxable Year, in each case using the "with or without" methodology. If all or a portion of the actual tax liability for Taxes for the Taxable Year arises as a result of an audit by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Benefit unless and until there has been a Determination.

" Realized Tax Detriment " means, for a Taxable Year, the excess, if any, of the actual liability for Taxes of i) the Corporate Taxpayer or ii) any Partnership in which the

Corporate Taxpayer owns an interest but only with respect to Taxes imposed on such Partnership and allocable to the Corporate Taxpayer over the Non-Stepped Up Tax Liability for such Taxable Year, in each case using the "with or without" methodology. If all or a portion of the actual tax liability for Taxes for the Taxable Year arises as a result of an audit by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Detriment unless and until there has been a Determination.

" Reconciliation Dispute " has the meaning set forth in Section 7.09.

" Reconciliation Procedures " shall mean those procedures set forth in Section 7.09 of this Agreement.

" Schedule " means any Exchange Basis Schedule, Tax Benefit Schedule and the Early Termination Schedule.

" Subsidiaries " means, with respect to any Person, as of any date of determination, any other Person as to which such Person, owns, directly or indirectly, or otherwise controls more than 50% of the voting power or other similar interests or the sole general partner interest or managing member or similar interest of such Person.

" Tax Benefit Payment " is defined in Section 3.01(b) of this Agreement.

" Tax Benefit Schedule " is defined in Section 2.03 of this Agreement.

" Tax Return " means any return, declaration, report or similar statement required to be filed with respect to Taxes (including any attached schedules), including, without limitation, any information return, claim for refund, amended return and declaration of estimated Tax.

" Taxable Year " means a taxable year as defined in Section 441(b) of the Code or comparable section of state, local or foreign tax law, as applicable, (and, therefore, for the avoidance of doubt, may include a period of less than 12 months for which a Tax Return is made) ending on or after the Exchange Date in which there is a Basis Adjustment due to an Exchange.

" Taxes " means any and all U.S. federal, state, local and foreign taxes, assessments or similar charges measured with respect to net income or profits and any interest related to such Tax.

" Taxing Authority " shall mean any domestic, foreign, federal, national, state, county or municipal or other local government, any subdivision, agency, commission or authority thereof, or any quasi-governmental body exercising any taxing authority or any other authority exercising Tax regulatory authority.

" Treasury Regulations " means the final, temporary and proposed regulations under the Code promulgated from time to time (including corresponding provisions and succeeding provisions) as in effect for the relevant taxable period.

" Valuation Assumptions " shall mean, as of an Early Termination Date, the assumptions that (1) in each Taxable Year ending on or after such Early Termination Date, the Corporate Taxpayer will have taxable income sufficient to fully utilize the deductions arising from the basis Adjustment and the Imputed Interest during such Taxable Year, (2) the federal income tax rates and state, local and foreign income tax rates that will be in effect for each such Taxable Year will be those specified for each such Taxable Year by the Code and other law as in effect on the Early Termination Date, (3) any loss carryovers or carryback generated by the Basis Adjustment or the Imputed Interest and available as of the date of the Early Termination Schedule will be utilized by the Corporate Taxpayer on a pro rata basis from the date of the Early Termination Schedule through the scheduled expiration date of such loss carryovers or carrybacks, (4) any non-amortizable assets are deemed to be disposed of (A) with respect to private equity fund related assets, pro-rata over the number of years remaining under the original fund agreement until expected liquidation (without extensions) of the applicable fund (or, if such expected liquidation date has passed, on the Early Termination Date) and (B) with respect to all other assets, on the fifteenth anniversary of the earlier of the Basis Adjustment and the Early Termination Date and (5) if an Early Termination is effected prior to an Exchange of Partnership Units, clause (i) of Section 2.01 shall be read to include the Market Value of the Common Units and cash that would be transferred if the Exchange occurred on the Early Termination Date.

ARTICLE II

DETERMINATION OF REALIZED TAX BENEFIT

Section 2.01. Basis Adjustment . The Corporate Taxpayer and the Partnerships, on the one hand, and the applicable Limited Partner, on the other hand, acknowledge that, as a result of an Exchange, the Corporate Taxpayer's basis in the applicable Original Assets shall be increased by the excess, if any, of (i) the sum of (x) the Market Value of the Common Units, cash or other consideration transferred to the applicable Limited Partner pursuant to the Exchange as payment for the exchanged Partnership Units, plus (y) the amount of payments made pursuant to this Agreement with respect to such Exchange plus (z) the amount of debt allocated to the Partnership Units acquired pursuant to such Exchange over (ii) the Corporate Taxpayer's share of the basis of the Original Assets immediately after the Exchange attributable to the Partnership Units exchanged, determined as if (x) each Partnership remains in existence as an entity for tax purposes, and (y) no Partnership made the election provided by Section 754 of the Code. For the avoidance of doubt, payments made under this Agreement shall not be treated as resulting in a Basis Adjustment to the extent such payments are treated as Imputed Interest.

Section 2.02. Exchange Basis Schedule . Within 90 calendar days after the filing of the U.S. federal income tax return of the Corporate Taxpayer for each Taxable Year in which any Exchange has been effected, the Corporate Taxpayer shall deliver to the applicable Limited Partner a schedule (the " Exchange Basis Schedule ") that shows for purposes of Taxes, (i) the actual unadjusted tax basis of the Original Assets as of each applicable Exchange Date, (ii) the Basis Adjustment with respect to the Original Assets as a result of the Exchanges effected in such Taxable Year, calculated in the aggregate, (iii) the period or periods, if any, over which the Original Assets are amortizable and/or depreciable and (iv) the period or periods, if any, over which each Basis Adjustment is amortizable and/or depreciable (which, for non-amortizable assets shall be based on the Valuation Assumptions).

Section 2.03. Tax Benefit Schedule . Within 90 calendar days after the filing of the U.S. federal income tax return of the Corporate Taxpayer for any Taxable Year in which there is a Realized Tax Benefit or Realized Tax Detriment, the Corporate Taxpayer shall provide to the applicable Limited Partner a schedule showing the calculation of the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year (a " Tax Benefit Schedule "). The Schedule will become final as provided in Section 2.04(a) and may be amended as provided in Section 2.04(b) (subject to the procedures set forth in Section 2.04(b)).

Section 2.04. Procedures, Amendments .

(a) Procedure . Every time the Corporate Taxpayer delivers to the applicable Limited Partner an applicable Schedule under this Agreement, including any Amended Schedule delivered pursuant to Section 2.04(b), but excluding any Early Termination Schedule or amended Early Termination Schedule, the Corporate Taxpayer shall also (x) deliver to the applicable Limited Partner schedules and work papers providing reasonable detail regarding the preparation of the Schedule and (y) allow the applicable Limited Partner reasonable access at no cost to the appropriate representatives at the Corporate Taxpayer in connection with a review of such Schedule. The applicable Schedule shall become final and binding on all parties unless the applicable Limited Partner Group Member, within 30 calendar days after receiving an Exchange Basis Schedule or amendment thereto or 30 calendar days after receiving a Tax Benefit Schedule or amendment thereto, provides the Corporate Taxpayer with notice of a material objection to such Schedule (" Objection Notice ") made in good faith; provided, for the sake of clarity, only Limited Partner Group Members shall have the right to object to any Schedule or Amended Schedule pursuant to this Section 2.04. If the parties, for any reason, are unable to successfully resolve the issues raised in such notice within 30 calendar days of receipt by the Corporate Taxpayer of an Objection Notice, if with respect to an Exchange Basis Schedule, or 30 calendar days of receipt by the Corporate Taxpayer of an Objection Notice, if with respect to a Tax Benefit Schedule, after such Schedule was delivered to the applicable Limited Partner, the Corporate Taxpayer and the applicable Limited Partner shall employ the reconciliation procedures as described in Section 7.09 of this Agreement (the " Reconciliation Procedures ").

(b) Amended Schedule . The applicable Schedule for any Taxable Year may be amended from time to time by the Corporate Taxpayer (i) in connection with a Determination affecting such Schedule, (ii) to correct material inaccuracies in the Schedule identified as a result of the receipt of additional factual information relating to a Taxable Year after the date the Schedule was provided to the applicable Limited Partner, (iii) to comply with the Expert's determination under the Reconciliation Procedures, (iv) to reflect a material change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to a carryback or carryforward of a loss or other tax item to such Taxable Year, (v) to reflect a material change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to an amended Tax Return filed for such Taxable Year, or (vi) to adjust the Exchange Basis Schedule to take into account payments made pursuant to this Agreement (such Schedule, an " Amended Schedule ").

ARTICLE III

TAX BENEFIT PAYMENTS

Section 3.01. Payments .

(a) Payments . Within five (5) calendar days of a Tax Benefit Schedule delivered to an applicable Limited Partner becoming final in accordance with Section 2.04(a), the Corporate Taxpayer shall pay to the applicable Limited Partner for such Taxable Year the Tax Benefit Payment determined pursuant to Section 3.01(b). Each such Tax Benefit Payment shall be made by wire transfer of immediately available funds to a bank account of the applicable Limited Partner previously designated by such Limited Partner to the Corporate Taxpayer or as otherwise agreed by the Corporate Taxpayer and the applicable Limited Partner. For the avoidance of doubt, no Tax Benefit Payment shall be made in respect of estimated tax payments, including, without limitation, federal income tax payments.

(b) A " Tax Benefit Payment " means an amount, not less than zero, equal to 85% of the sum of the Net Tax Benefit and the Interest Amount. The "Net Tax Benefit" shall equal: (1) the Corporate Taxpayer's Realized Tax Benefit, if any, for a Taxable Year plus (2) the amount of the excess Realized Tax Benefit reflected on an Amended Tax Benefit Schedule for a previous Taxable Year over the Realized Tax Benefit (or Realized Tax Detriment (expressed as a negative number)) reflected on the Tax Benefit Schedule for such previous Taxable Year, minus (3) an amount equal to the Corporate Taxpayer's Realized Tax Detriment (if any) for the current or any previous Taxable Year, minus (4) the amount of the excess Realized Tax Benefit reflected on a Tax Benefit Schedule for a previous Taxable Year over the Realized Tax Benefit (or Realized Tax Detriment (expressed as a negative number)) reflected on the Amended Tax Benefit Schedule for such previous Taxable Year; provided , however , that to the extent of the amounts described in 3.01(b)(2), (3) and (4) were taken into account in determining any Tax Benefit Payment in a preceding Taxable Year, such amounts shall not be taken into account in determining a Tax Benefit Payment attributable to any other Taxable Year; provided , further , for the avoidance of doubt, no applicable Limited Partner shall be required to return any portion of any previously made Tax Benefit Payment. The " Interest Amount " shall equal the interest on the Net Tax Benefit calculated at the Agreed Rate from the due date (without extensions) for filing the Corporate Taxpayer Return with respect to Taxes for such Taxable Year until the Payment Date. Notwithstanding the foregoing, for each Taxable Year ending on or after the date of a Change of Control, all Tax Benefit Payments, whether paid with respect to Partnership Units that were exchanged (i) prior to the date of such Change of Control or (ii) on or after the date of such Change of Control, shall be calculated by utilizing Valuation Assumptions (1), (3), and (4), substituting in each case the terms "the closing date of a Change of Control" for an "Early Termination Date".

Section 3.02. No Duplicative Payments . It is intended that the above provisions of this Agreement will not result in duplicative payment of any amount (including interest) required under this Agreement. It is also intended that the provisions of this Agreement provide that 85% of the Corporate Taxpayer's Realized Tax Benefit and Interest Amount is paid to the Limited Partners pursuant to this Agreement. The provisions of this Agreement shall be construed in the appropriate manner as such intentions are realized.

Section 3.03. Pro Rata Payments . For the avoidance of doubt, to the extent the Corporate Taxpayer's deduction with respect to the Basis Adjustment is limited in a particular Taxable Year or the Corporate Taxpayer lacks sufficient funds to satisfy its obligations to make all Tax Benefit Payments due in a particular taxable year, the limitation on the deduction, or the Tax Benefit Payments that may be made, as the case may be, shall be taken into account or made for each applicable Limited Partner on a pro rata basis relative to the total amount of deductions with respect to the aggregate Basis Adjustments for all of the applicable Limited Partners.

ARTICLE IV

TERMINATION

Section 4.01. Early Termination and Breach of Agreement .

(a) The Corporate Taxpayer may terminate this Agreement with respect to all of the Partnership Units held (or previously held and exchanged) by all Limited Partners at any time by paying to all of the applicable Limited Partners the Early Termination Payment; provided, however, that this Agreement shall only terminate upon the receipt of the Early Termination Payment by all Limited Partners, and provided, further, that the Corporate Taxpayer may withdraw any notice to execute its termination rights under this Section 4.01(a) prior to the time at which any Early Termination Payment has been paid. Upon payment of the Early Termination Payments by the Corporate Taxpayer, neither the applicable Limited Partners nor the Corporate Taxpayer shall have any further payment obligations under this Agreement in respect of such Limited Partners, other than for any (a) Tax Benefit Payment agreed to by the Corporate Taxpayer and the applicable Limited Partner as due and payable but unpaid as of the Early Termination Notice and (b) Tax Benefit Payment due for the Taxable Year ending with or including the date of the Early Termination Notice (except to the extent that the amount described in clause (b) is included in the Early Termination Payment). If an Exchange occurs after the Corporate Taxpayer exercises its termination rights under this Section 4.01(a), the Corporate Taxpayer shall have no obligations under this Agreement with respect to such Exchange.

(b) In the event that the Corporate Taxpayer breaches any of its material obligations under this Agreement, whether as a result of failure to make any payment when due, failure to honor any other material obligation required hereunder or by operation of law as a result of the rejection of this Agreement in a case commenced under the Bankruptcy Code or otherwise, then all obligations hereunder shall be accelerated and such obligations shall be calculated as if an Early Termination Notice had been delivered on the date of such breach and shall include, but not be limited to, (1) the Early Termination Payment calculated as if an Early Termination Notice had been delivered on the date of a breach, (2) any Tax Benefit Payment agreed to by the Corporate Taxpayer and any Limited Partners as due and payable but unpaid as of the date of a breach, and (3) any Tax Benefit Payment due for the Taxable Year ending with or including the date of a breach. Notwithstanding the foregoing, in the event that the Corporate Taxpayer breaches this Agreement, the Limited Partners shall be entitled to elect to receive the amounts set forth in (1), (2) and (3), above or to seek specific performance of the terms hereof. The parties agree that the failure to make any payment due pursuant to this Agreement within three months of the date such payment is due shall be deemed to be a breach of a material

obligation under this Agreement for all purposes of this Agreement, and that it will not be considered to be a breach of a material obligation under this Agreement to make a payment due pursuant to this Agreement within three months of the date such payment is due.

(c) The undersigned parties agree that the aggregate value of the Tax Benefit Payments cannot be ascertained with any reasonable certainty for U.S. federal income tax purposes.

Section 4.02. Early Termination Notice . If the Corporate Taxpayer chooses to exercise its right of early termination under Section 4.01 above, the Corporate Taxpayer shall deliver to the applicable Limited Partner notice of such intention to exercise such right (" Early Termination Notice ") and a schedule (the " Early Termination Schedule ") specifying the Corporate Taxpayer's intention to exercise such right and showing in reasonable detail the calculation of the Early Termination Payment. The applicable Early Termination Schedule shall become final and binding on all parties unless the applicable Limited Partner Group Member, within 30 calendar days after receiving the Early Termination Schedule thereto provides the Corporate Taxpayer with notice of a material objection to such Schedule made in good faith (" Material Objection Notice "); provided, for the sake of clarity, only Limited Partner Group Members shall have the right to object to any Schedule or Amended Schedule pursuant to this Section 4.02. If the parties, for any reason, are unable to successfully resolve the issues raised in such notice within 30 calendar days after receipt by the Corporate Taxpayer of the Material Objection Notice, the Corporate Taxpayer and the applicable Limited Partner Group Member shall employ the Reconciliation Procedures as described in Section 7.09 of this Agreement.

Section 4.03. Payment upon Early Termination . (a) Within three calendar days after agreement between the applicable Limited Partner and the Corporate Taxpayer of the Early Termination Schedule, the Corporate Taxpayer shall pay to the applicable Limited Partner an amount equal to the Early Termination Payment. Such payment shall be made by wire transfer of immediately available funds to a bank account designated by the applicable Limited Partner or as otherwise agreed by the Corporate Taxpayer and the applicable Limited Partner.

(b) The " Early Termination Payment " as of the date of the delivery of an Early Termination Schedule shall equal with respect to the applicable Limited Partner the present value, discounted at the Early Termination Rate as of such date, of all Tax Benefit Payments that would be required to be paid by the Corporate Taxpayer to the applicable Limited Partner beginning from the Early Termination Date assuming the Valuation Assumptions are applied.

ARTICLE V

SUBORDINATION AND LATE PAYMENTS

Section 5.01. Subordination . Notwithstanding any other provision of this Agreement to the contrary, any Tax Benefit Payment or Early Termination Payment required to be made by the Corporation to the applicable Partner under this Agreement (an "Exchange Payment") shall rank subordinate and junior in right of payment to any principal, interest or other amounts due and payable in respect of any obligations in respect of indebtedness for borrowed money of the Corporation and its Subsidiaries ("Senior Obligations") and shall rank pari passu with all current or future unsecured obligations of the Corporation that are not Senior Obligations.

Section 5.02. Late Payments by the Corporate Taxpayer . The amount of all or any portion of any Tax Benefit Payment not made to the applicable Limited Partner when due under the terms of this Agreement shall be payable together with any interest thereon, computed at the Default Rate and commencing from the date on which such Exchange Payment was due and payable.

ARTICLE VI

NO DISPUTES; CONSISTENCY; COOPERATION

Section 6.01. Limited Partner Group Member Participation in the Corporate Taxpayer's and Partnerships' Tax Matters . Except as otherwise provided herein, the Corporate Taxpayer shall have full responsibility for, and sole discretion over, all Tax matters concerning the Corporate Taxpayer and the Partnerships, including without limitation the preparation, filing or amending of any Tax Return and defending, contesting or settling any issue pertaining to Taxes. Notwithstanding the foregoing, the Corporate Taxpayer shall notify the applicable Limited Partner Group Member of, and keep the applicable Limited Partner Group Member reasonably informed with respect to the portion of any audit of the Corporate Taxpayer and the Partnerships by a Taxing Authority the outcome of which is reasonably expected to affect the applicable Limited Partner Group Member's rights and obligations under this Agreement, and shall provide to the applicable Limited Partner Group Member reasonable opportunity to provide information and other input to the Corporate Taxpayer, the Partnerships and their respective advisors concerning the conduct of any such portion of such audit; provided , however , that the Corporate Taxpayer and the Partnerships shall not be required to take any action that is inconsistent with any provision of any of the Partnership Agreements.

Section 6.02. Consistency . The Corporate Taxpayer and the applicable Limited Partner agree to report and cause to be reported for all purposes, including federal, state, local and foreign Tax purposes and financial reporting purposes, all Tax-related items (including without limitation the Basis Adjustment and each Tax Benefit Payment) in a manner consistent with that specified by the Corporate Taxpayer in any Schedule required to be provided by or on behalf of the Corporate Taxpayer under this Agreement.

Section 6.03. Cooperation . The applicable Limited Partner shall (a) furnish to the Corporate Taxpayer in a timely manner such information, documents and other materials as the Corporate Taxpayer may reasonably request for purposes of making any determination or computation necessary or appropriate under this Agreement, preparing any Tax Return or contesting or defending any audit, examination or controversy with any Taxing Authority, (b) make itself available to the Corporate Taxpayer and its representatives to provide explanations of documents and materials and such other information as the Corporate Taxpayer or its representatives may reasonably request in connection with any of the matters described in clause (a) above, and (c) reasonably cooperate in connection with any such matter, and the Corporate Taxpayer shall reimburse the applicable Limited Partner for any reasonable third-party costs and expenses incurred pursuant to this Section.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Notices . All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed duly given and received (a) on the date of delivery if delivered personally, or by facsimile upon confirmation of transmission by the sender's fax machine if sent on a Business Day (or otherwise on the next Business Day) or (b) on the first Business Day following the date of dispatch if delivered by a recognized next-day courier service. All notices hereunder shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

If to the Corporate Taxpayer, to:

c/o The Blackstone Group L.P.
345 Park Avenue
New York, NY 10154
(T) (212) 583-5000
Attention: Chief Legal Officer

with a copy to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
(T) (212) 455-2000
(F) (212) 735-2502
Attention: Joshua Ford Bonnie, Esq.

If to the applicable Limited Partner, to:

The address and facsimile number set forth in the records of the Partnerships.

Any party may change its address or fax number by giving the other party written notice of its new address or fax number in the manner set forth above.

Section 7.02. Counterparts . This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart. Delivery of an executed signature page to this Agreement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

Section 7.03. Entire Agreement; No Third Party Beneficiaries . This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.04. Governing Law . This Agreement shall be governed by, and construed in accordance with, the law of the State of New York.

Section 7.05. Severability . If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

Section 7.06. Successors; Assignment; Amendments; Waivers .

(a) No Limited Partner may assign this Agreement to any person without the prior written consent of the Corporate Taxpayer; provided, however, (i) that, to the extent Partnership Units are effectively transferred in accordance with the terms of the Partnership Agreements and any other agreements the Limited Partners may have entered into with the Parent, the Corporate Taxpayer and/or any of the other Blackstone Holdings General Partners or Blackstone Holdings Partnerships, the transferring Limited Partner shall assign to the transferee of such Partnership Units the transferring Limited Partner's rights under this Agreement with respect to such transferred Partnership Units, as long as such transferee has executed and delivered, or, in connection with such transfer, executes and delivers, a joinder to this Agreement, in form and substance reasonably satisfactory to the Corporate Taxpayer, agreeing to become a "Limited Partner" for all purposes of this Agreement, except as otherwise provided in such joinder, and (ii) that, once an Exchange has occurred, any and all payments that may become payable to a Limited Partner pursuant to this Agreement with respect to such Exchange may be assigned to any Person or Persons, as long as any such Person has executed and delivered, or, in connection with such assignment, executes and delivers, a joinder to this Agreement, in form and substance reasonably satisfactory to the Corporate Taxpayer, agreeing to be bound by Section 7.12 and acknowledging specifically the last sentence of the next paragraph. For the avoidance of doubt: (A) to the extent a Limited Partner Group Member or other Person transfers Partnership Units to a Limited Partner Group Member pursuant to the relevant Partnership Agreements, the Limited Partner Group Member receiving such Partnership Units shall have all rights under this Agreement with respect to such transferred Partnership Units as such Limited Partner Group Members has, under this Agreement, with respect to the other Partnership Units held by him; and (B) the requirement to execute and deliver a joinder pursuant to this Section 7.06(a) shall not be construed as requiring such execution and delivery prior to an assignment becoming effective.

(b) Notwithstanding the provisions of Section 7.06(a), no transferee described in clause (i) of Section 7.06(a) shall have the right to enforce the provisions of Section 2.04, 4.02, 6.01 or 6.02 of this Agreement, and no assignee described in clause (ii) of Section 7.06(a) shall have any rights under this Agreement except for the right to enforce its right to receive payments under this Agreement.

(c) No provision of this Agreement may be amended unless such amendment is approved in writing by the Corporate Taxpayer, on behalf of themselves and the respective Partnerships they Control, and by Limited Partner Group Members who would be entitled to receive at least two-thirds of the Early Termination Payments payable to all Limited Partner Group Members hereunder if the Corporate Taxpayer had exercised its right of early termination on the date of the most recent Exchange prior to such amendment (excluding, for purposes of this sentence, all payments made to any Limited Partner Group Member pursuant to this Agreement since the date of such most recent Exchange); provided, that no such amendment shall be effective if such amendment will have a disproportionate effect on the payments certain Limited Partners will or may receive under this Agreement unless all such Limited Partners disproportionately effected consent in writing to such amendment. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

(d) All of the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto and their respective successors, assigns, heirs, executors, administrators and legal representatives. The Corporate Taxpayer shall require and cause any direct or indirect successor (whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Corporate Taxpayer, by written agreement, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Corporate Taxpayer would be required to perform if no such succession had taken place. Notwithstanding anything to the contrary herein, in the event an Limited Partner Group Member transfers his Partnership Units to a Permitted Transferee (as defined in each Partnership Agreement), excluding any other Limited Partner Group Member, such Limited Partner Group Member shall have the right, on behalf of such transferee, to enforce the provisions of Sections 2.04, 4.02 or 6.01 with respect to such transferred Partnership Units.

Section 7.07. Titles and Subtitles . The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

Section 7.08. Resolution of Disputes .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language.

Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the Corporate Taxpayer may bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Limited Partner (i) expressly consents to the application of paragraph (c) of this Section 7.08 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Corporate Taxpayer as such Limited Partner's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Limited Partner of any such service of process, shall be deemed in every respect effective service of process upon the Limited Partner in any such action or proceeding.

(c) (i) EACH LIMITED PARTNER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 7.08, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 7.08 and such parties agree not to plead or claim the same.

Section 7.09. Reconciliation . In the event that the Corporate Taxpayer and the applicable Limited Partner Group Member are unable to resolve a disagreement with respect to the matters governed by Sections 2.04, 4.02 and 6.02 within the relevant period designated in this Agreement (" Reconciliation Dispute "), the Reconciliation Dispute shall be submitted for determination to a nationally recognized expert (the " Expert ") in the particular area of disagreement mutually acceptable to both parties. The Expert shall be a partner in a nationally recognized accounting firm or a law firm, and the Expert shall not, and the firm that employs the Expert shall not, have any material relationship with the Corporate Taxpayer or the applicable Limited Partner Group Member or other actual or potential conflict of interest. If the parties are unable to agree on an Expert within fifteen (15) days of receipt by the respondent(s) of written notice of a Reconciliation Dispute, the Expert shall be appointed by the International Chamber of Commerce Centre for Expertise. The Expert shall resolve any matter relating to the Exchange Basis Schedule or an amendment thereto or the Early Termination Schedule or an amendment thereto within 30 calendar days and shall resolve any matter relating to a Tax Benefit Schedule or an amendment thereto within 15 calendar days or as soon thereafter as is reasonably

practicable, in each case after the matter has been submitted to the Expert for resolution. Notwithstanding the preceding sentence, if the matter is not resolved before any payment that is the subject of a disagreement is due or any Tax Return reflecting the subject of a disagreement is due, such payment shall be made on the date prescribed by this Agreement and such Tax Return may be filed as prepared by the Corporate Taxpayer, subject to adjustment or amendment upon resolution. The costs and expenses relating to the engagement of such Expert or amending any Tax Return shall be borne by the Corporate Taxpayer; except as provided in the next sentence. The Corporate Taxpayer and each applicable Limited Partner Group Member shall bear their own costs and expenses of such proceeding, unless the Limited Partner Group Member has a prevailing position that is more than 10% of the payment at issue, in which case the Corporate Taxpayer shall reimburse such Limited Partner Group Member for any reasonable out-of-pocket costs and expenses in such proceeding. Any dispute as to whether a dispute is a Reconciliation Dispute within the meaning of this Section 7.09 shall be decided by the Expert. The Expert shall finally determine any Reconciliation Dispute and the determinations of the Expert pursuant to this Section 7.09 shall be binding on the Corporate Taxpayer and the applicable Limited Partner Group Member and may be entered and enforced in any court having jurisdiction.

Section 7.10. Withholding . The Corporate Taxpayer shall be entitled to deduct and withhold from any payment payable pursuant to this Agreement such amounts as the Corporate Taxpayer is required to deduct and withhold with respect to the making of such payment under the Code, or any provision of state, local or foreign tax law. To the extent that amounts are so withheld and paid over to the appropriate Taxing Authority by the Corporate Taxpayer, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the applicable Limited Partner.

Section 7.11. Affiliated Corporations of Other Blackstone Holdings General Partners; Admission of the Corporate Taxpayer into a Consolidated Group; Transfers of Corporate Assets .

(a) The other Blackstone Holdings General Partners shall provide that all provisions of this Agreement shall correspondingly apply, including the payment of Tax Benefit Payments by any corporation owned directly or indirectly in whole or in part, now or in the future, by other Blackstone Holdings General Partners, with respect to any Realized Tax Benefit with respect to limited partner interests in other Blackstone Holdings Partnerships, that are part of the Exchange and in which such corporation owns an interest, under the same terms and conditions as set forth in this Agreement, and the other Blackstone Holdings General Partners shall cause such corporation to execute and deliver a joinder to this Agreement to such effect. If either (i) the Parent or any other Blackstone Holdings General Partner elects to be treated as a corporation for tax purposes, or (ii) the Parent holds any other Blackstone Holdings General Partner directly or indirectly through an entity that is treated as a corporation for tax purposes, then the provisions of this Agreement shall apply (w) to such other Blackstone Holdings General Partner in the same manner as it applies to the Corporate Taxpayer and (x) to each partnership, limited partnership and limited liability company Controlled by any other Blackstone Holdings General Partner as if each such entity were a Partnership; provided that, if any Partnership Units or limited partner interests in other Blackstone Holdings Partnerships were Exchanged prior to an event described in clause (i) or (ii) above, then (y) such Exchange shall be treated for purposes of this Agreement as having occurred immediately after such event at the Fair Market

Value in existence at the time of such prior Exchange, and (z) the entity that is to be treated in the same manner as the Corporate Taxpayer shall be required to make the same Tax Benefit Payments pursuant to the terms of this Agreement that it would have been required to make had it been treated in the same manner as the Corporate Taxpayer on the date of such Exchange; provided , however , that such Tax Benefit Payments shall be payable only with respect to (I) Original Assets that are still owned at the time of the event described in clause (i) or (ii) above, and (II) taxable years of such entity ending on or after the date of the event described in clause (i) or (ii) above. The parties agree that the terms of this Agreement will be applied to any corporation under this Section 7.11 only if the aggregate Tax Benefit Payments payable with respect to such corporation are reasonably expected to be more than $10 million.

(b) If the Corporate Taxpayer becomes a member of an affiliated or consolidated group of corporations that files a consolidated income tax return pursuant to Sections 1501 et seq. of the Code or any corresponding provisions of state, local or foreign law, then: (i) the provisions of this Agreement shall be applied with respect to the group as a whole; and (ii) Tax Benefit Payments shall be computed with reference to the consolidated taxable income of the group as a whole.

(c) Notwithstanding any other provision of this Agreement, if Parent acquires one or more assets that, as of an Exchange Date, have not been contributed to the Corporate Taxpayer (other than Parent's interests in the other Blackstone Holdings General Partners) (such assets, " Excluded Assets "), then all Tax Benefit Payments due hereunder shall be computed as if such assets had been contributed to the Corporate Taxpayer on a pro rata basis on the date such assets were first acquired by Parent; provided , however , that if an Excluded Asset consists of stock in a corporation, then, for purposes of this Section 7.11(c), (i) such corporation (and any corporation Controlled by such corporation) shall be deemed to have contributed its assets to the Corporate Taxpayer in a transaction described in Section 351 of the Code, and (ii) the Corporate Taxpayer shall be deemed to have contributed all such assets to the Partnerships, in each case on the date on which the Parent acquired stock of such corporation.

(d) If any entity that is obligated to make an Exchange Payment hereunder transfers one or more assets to a corporation with which such entity does not file a consolidated tax return pursuant to Section 1501 of the Code, such entity, for purposes of calculating the amount of any Exchange Payment (e.g., calculating the gross income of the entity and determining the Realized Tax Benefit of such entity) due hereunder, shall be treated as having disposed of such asset in a fully taxable transaction on the date of such contribution. The consideration deemed to be received by such entity shall be equal to the Fair Market Value of the contributed asset, plus (i) the amount of debt to which such asset is subject, in the case of a contribution of an encumbered asset or (ii) the amount of debt allocated to such asset, in the case of a contribution of a partner interest.

Section 7.12. Confidentiality . Each Limited Partner and assignee acknowledges and agrees that the information of the Corporate Taxpayer is confidential and, except in the course of performing any duties as necessary for the Corporate Taxpayer and its Affiliates, as required by law or legal process or to enforce the terms of this Agreement, shall keep and retain in the strictest confidence and not to disclose to any Person all confidential matters, acquired pursuant to this Agreement, of the Corporate Taxpayer or any Person included within the Parent

and their respective Affiliates and successors and the other Limited Partners, including, without limitation, the identity of the beneficial holders of interests in any fund or account managed by the Parent or any of its Subsidiaries, confidential information concerning the Parent, any Person included within the Parent and their respective Affiliates and successors, the other Limited Partners and any fund, account or investment managed by any Person included within the Parent, including marketing, investment, performance data, fund management, credit and financial information, and other business affairs of the Corporate Taxpayer, any Person included within the Parent and their respective Affiliates and successors, the other Limited Partners and any fund, account or investment managed directly or indirectly by any Person included within the Corporate Taxpayer learned by the Limited Partner heretofore or hereafter. This clause 7.12 shall not apply to (i) any information that has been made publicly available by the Corporate Taxpayer or any of its Affiliates, becomes public knowledge (except as a result of an act of such Limited Partner in violation of this Agreement) or is generally known to the business community and (ii) the disclosure of information to the extent necessary for a Limited Partner to prepare and file his or her tax returns, to respond to any inquiries regarding the same from any taxing authority or to prosecute or defend any action, proceeding or audit by any taxing authority with respect to such returns. Notwithstanding anything to the contrary herein, each Limited Partner (and each employee, representative or other agent of such Limited Partner) may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of (x) the Corporate Taxpayer and (y) any of its transactions, and all materials of any kind (including opinions or other tax analyses) that are provided to the Limited Partners relating to such tax treatment and tax structure.

If a Limited Partner or assignee commits a breach, or threatens to commit a breach, of any of the provisions of this Section 7.12, the Corporate Taxpayer shall have the right and remedy to have the provisions of this Section 7.12 specifically enforced by injunctive relief or otherwise by any court of competent jurisdiction without the need to post any bond or other security, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to the Corporate Taxpayer or any of its Subsidiaries or the other Limited Partners and the accounts and funds managed by the Corporate Taxpayer and that money damages alone shall not provide an adequate remedy to such Persons. Such rights and remedies shall be in addition to, and not in lieu of, any other rights and remedies available at law or in equity.

Section 7.13. Partnership Agreement . This Agreement shall be treated as part of the partnership agreement of each Partnership as described in Section 761(c) of the Code, and Sections 1.704-1(b)(2)(ii)(h) and 1.761-1(c) of the Treasury Regulations.

Section 7.14. Partnerships . The Corporate Taxpayer hereby agrees that, to the extent it acquires a general partner interest, managing member interest or similar interest in any Person after the date hereof, it shall cause such Person to execute and deliver a joinder to this Agreement and become a “Partnership” for all purposes of this Agreement.

Section 7.15. Headings . The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Corporate Taxpayer and each Limited Partner have duly executed this Agreement as of the date first written above.

BLACKSTONE HOLDINGS I/II GP INC.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

BLACKSTONE HOLDINGS I L.P.
By: Blackstone Holdings I/II GP Inc., its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

BLACKSTONE HOLDINGS II L.P.
By: Blackstone Holdings I/II GP Inc., its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

AIG BG Holdings Inc.

By: /s/ Win J. Neuger
Name: Win J. Neuger
Title: President

LIMITED PARTNERS

All other Limited Partners, pursuant to the powers of attorney now and hereafter executed in favor of, and granted and delivered to Stephen A. Schwarzman pursuant to Section 8.9 of that certain Contribution and Sale Agreement, dated as of the date hereof, by and among the Partnership, Blackstone Holdings I/II GP Inc., Blackstone Holdings III GP L.L.C., Blackstone Holdings IV GP L.P., Blackstone Holdings V GP L.P., Blackstone Holdings I/II Limited Partner Inc., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P., and the other parties thereto.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Attorney-in-fact

Exhibit 10.7

EXCHANGE AGREEMENT

EXCHANGE AGREEMENT (the " Agreement "), dated as of June 18, 2007, among The Blackstone Group L.P., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P., and the Blackstone Holdings Limited Partners from time to time party hereto.

WHEREAS, the parties hereto desire to provide for the exchange of certain Blackstone Holdings Partnership Units for Common Units, on the terms and subject to the conditions set forth herein;

WHEREAS, the right to exchange Blackstone Holdings Partnership Units set forth in Section 2.1(a) below, once exercised, represents a several, and not a joint and several, obligation of the Blackstone Holdings Partnerships (on a *pro rata* basis), and no Blackstone Holdings Partnership shall have any obligation or right to acquire Blackstone Holdings Partnership Units issued by another Blackstone Holdings Partnership;

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1. Definitions

The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

" A Exchange " has the meaning set forth in Section 2.1(a)(i) of this Agreement.

" Agreement " has the meaning set forth in the preamble of this Agreement.

" B Exchange " has the meaning set forth in Section 2.1(a)(i)(ii) of this Agreement.

" Blackstone Holdings I " means Blackstone Holdings I L.P., a limited partnership formed under the laws of the State of Delaware, and any successor thereto.

" Blackstone Holdings II " means Blackstone Holdings II L.P., a limited partnership formed under the laws of the State of Delaware, and any successor thereto.

" Blackstone Holdings I/II General Partner " means Blackstone Holdings I/II GP Inc., a corporation formed under the laws of the State of Delaware and the general partner of Blackstone Holdings I and Blackstone Holdings II, and any successor general partner thereof.

" Blackstone Holdings III " means Blackstone Holdings III L.P., a limited partnership formed under the laws of the State of Delaware, and any successor thereto.

" Blackstone Holdings III General Partner " means Blackstone Holdings III GP L.L.C., a limited liability company formed under the laws of the State of Delaware and the general partner of Blackstone Holdings III, and any successor general partner thereof.

" Blackstone Holdings IV " means Blackstone Holdings IV L.P., a société en commandite formed under the laws of the Province of Québec, and any successor thereto.

" Blackstone Holdings IV General Partner " means Blackstone Holdings IV GP L.P., a limited partnership formed under the laws of the State of Delaware and the general partner of Blackstone Holdings IV, and any successor general partner thereof.

" Blackstone Holdings V " means Blackstone Holdings V L.P., a société en commandite formed under the laws of the Province of Québec, and any successor thereto.

" Blackstone Holdings V General Partner " means Blackstone Holdings V GP L.P., a société en commandite formed under the laws of the Province of Québec and the general partner of Blackstone Holdings V, and any successor general partner thereof.

" Blackstone Holdings General Partners " means, collectively, Blackstone Holdings I/II General Partner, Blackstone Holdings III General Partner, Blackstone Holdings IV General Partner and Blackstone Holdings V General Partner.

" Blackstone Holdings Limited Partner " means each Person that is as of the date of this Agreement or becomes from time to time a limited partner of each of the Blackstone Holdings Partnerships pursuant to the terms of the Blackstone Holdings Partnership Agreements.

" Blackstone Holdings Partnership Agreements " means, collectively, the Amended and Restated Limited Partnership Agreement of Blackstone Holdings I, the Amended and Restated Limited Partnership Agreement of Blackstone Holdings II, the Amended and Restated Limited Partnership Agreement of Blackstone Holdings III, the Amended and Restated Limited Partnership Agreement of Blackstone Holdings IV and the Amended and Restated Limited Partnership Agreement of Blackstone Holdings V, as they may each be amended, supplemented or restated from time to time.

" Blackstone Holdings Partnership Unit " means, collectively, one unit of partnership interest in each of Blackstone Holdings I, Blackstone Holdings II, Blackstone Holdings III, Blackstone Holdings IV and Blackstone Holdings V, issued pursuant to their respective Blackstone Holdings Partnership Agreements.

" Blackstone Holdings Partnerships " means, collectively, Blackstone Holdings I, Blackstone Holdings II, Blackstone Holdings III, Blackstone Holdings IV and Blackstone Holdings V.

" Business Day " means each 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 to close.

" Charity " means any organization that is organized and operated for a purpose described in Section 170(c) of the Code (determined without reference to Section 170(c)(2)(A) of the Code) and described in Sections 2055(a) and 2522 of the Code.

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

" Common Unit " means a partnership interest in the Issuer representing a fractional part of the partnership interests in the Issuer of all limited partners of the Issuer having the rights and obligations specified with respect to Common Units in the Issuer Partnership Agreement.

" Exchange Rate " means the number of Common Units for which a Blackstone Holdings Partnership Unit is entitled to be exchanged. On the date of this Agreement, the Exchange Rate shall be 1 for 1, which Exchange Rate shall be subject to modification as provided in Section 2.4.

" IPO " means the initial public offering and sale of Common Units, as contemplated by the Issuer's Registration Statement on Form S-1 (File No. 333-141504).

" Issuer " means The Blackstone Group L.P., a limited partnership formed under the laws of the State of Delaware, and any successor thereto.

" Insider Trading Policy " means the Insider Trading Policy of the Issuer applicable to the directors and executive officers of its general partner, as such insider trading policy may be amended from time to time.

" Issuer Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of the Issuer to be dated substantially concurrently with the consummation of the IPO, as such agreement of limited partnership may be amended, supplemented or restated from time to time.

" Person " means an individual or a corporation, limited liability company, partnership, joint venture, trust, estate, unincorporated organization, association (including any group, organization, co-tenanacy, plan, board, council or committee), government (including a country, state, county, or any other governmental or political subdivision, agency or instrumentality thereof) or other entity (or series thereof).

" Quarter " means, unless the context requires otherwise, a fiscal quarter of the Issuer.

" Quarterly Exchange Date " means, unless the Issuer cancels such Quarterly Exchange Date pursuant to Section 2.9 hereof, the date that is the later to occur of either: (1) the second Business Day after the date on which the Issuer makes a public news release of its quarterly earnings for the prior Quarter or (2) the first day each Quarter that directors and executive officers of the Issuer's general partner are permitted to trade under the Insider Trading Policy; provided that there shall be no Quarterly Exchange Date prior to the first anniversary of the closing of the IPO.

" Sale Transaction " has the meaning set forth in Section 2.9 of this Agreement.

" Transfer Agent " means such bank, trust company or other Person as shall be appointed from time to time by the Issuer pursuant to the Issuer Partnership Agreement to act as registrar and transfer agent for the Common Units.

ARTICLE II

EXCHANGE OF BLACKSTONE HOLDINGS PARTNERSHIP UNITS

SECTION 2.1. Exchange of Blackstone Holdings Partnership Units.

(a) Subject to adjustment as provided in this Article II, to the provisions of the Blackstone Holdings Partnership Agreements and the Issuer Partnership Agreement and to the provisions of Section 2.2 hereof, each Blackstone Holdings Limited Partner shall be entitled to exchange Blackstone Holdings Partnership Units held by such Blackstone Holdings Limited Partner on any Quarterly Exchange Date as follows; provided that any such exchange is for a minimum of the lesser of 1,000 Blackstone Holdings Partnership Units or all of the vested Blackstone Holdings Partnership Units held by such Blackstone Holdings Limited Partner:

(i) For the purpose of making a gratuitous transfer to any Charity, a Blackstone Holdings Limited Partner may surrender Blackstone Holdings Partnership Units to the Issuer in exchange for the delivery by the Issuer of a number of Common Units equal to the product of the number of Blackstone Holdings Partnership Units surrendered multiplied by the Exchange Rate (such exchange, an " A Exchange "); or

(ii) A Blackstone Holdings Limited Partner may surrender Blackstone Holdings Partnership Units to the Blackstone Holdings Partnerships in exchange for the delivery by the Blackstone Holdings Partnerships of a number of Common Units equal to the product of such number of Blackstone Holdings Partnership Units surrendered multiplied by the Exchange Rate (such exchange, a " B Exchange ").

(b) On the date Blackstone Holdings Partnership Units are surrendered for exchange, all rights of the exchanging Blackstone Holdings Limited Partner as holder of such Blackstone Holdings Partnership Units shall cease, and such exchanging Blackstone Holdings Limited Partner shall be treated for all purposes as having become the Record Holder (as defined in the Issuer Partnership Agreement) of such Common Units and shall be admitted as a Limited Partner (as defined in the Issuer Partnership Agreement) of the Issuer in accordance and upon compliance with Section 10.2 of the Issuer Partnership Agreement.

(c) For the avoidance of doubt, any exchange of Blackstone Holdings Partnership Units shall be subject to the provisions of the Blackstone Holdings Partnership Agreements, including without limitation the provisions of Sections 8.01, 8.03 and 8.04.

SECTION 2.2. Exchange Procedures . (a) A Blackstone Holdings Limited Partner may exercise the right to exchange Blackstone Holdings Partnership Units set forth in Section 2.1(a) above by providing a written notice of exchange at least sixty (60) days prior to the applicable Quarterly Exchange Date to: (i) in the case of an A Exchange, the Issuer substantially in the form of Exhibit A hereto, and (ii) in the case of a B Exchange, each of the Blackstone Holdings General Partners substantially in the form of Exhibit B hereto, duly

executed by such holder or such holder's duly authorized attorney in respect of the Blackstone Holdings Partnership Units to be exchanged, in each case delivered during normal business hours at the principal executive offices of the Issuer or the Blackstone Holdings General Partners, as applicable.

(b) As promptly as practicable following the surrender for exchange of Blackstone Holdings Partnership Units in the manner provided in this Article II, the Issuer, in the case of an A Exchange, or the Blackstone Holdings Partnerships, in the case of a B Exchange, shall deliver or cause to be delivered at the principal executive offices of the Issuer or at the office of the Transfer Agent the number of Common Units issuable upon such exchange, issued in the name of such exchanging Blackstone Holdings Limited Partner.

(c) The Issuer, in the case of an A Exchange, or the Blackstone Holdings Partnerships, in the case of a B Exchange, may adopt reasonable procedures for the implementation of the exchange provisions set forth in this Article II, including, without limitation, procedures for the giving of notice of an election for exchange.

SECTION 2.3. Blackout Periods and Ownership Restrictions.

(a) Notwithstanding anything to the contrary, a Blackstone Holdings Limited Partner shall not be entitled to exchange Blackstone Holdings Partnership Units, and the Issuer and the Blackstone Holdings Partnerships shall have the right to refuse to honor any request for exchange of Blackstone Holdings Partnership Units, (i) at any time or during any period if the Issuer or the Blackstone Holdings Partnerships shall determine, based on the advice of counsel (which may be inside counsel), that there may be material non-public information that may affect the trading price per Common Unit at such time or during such period, (ii) if such exchange would be prohibited under applicable law or regulation, or (iii) unless the general partner of the Issuer provides its prior written consent, in the case of a Category 1 Limited Partner, Category 2 Limited Partner, Category 3 Limited Partner, Category 4 Limited Partner, or Category 5 Limited Partner (in each case as defined in the Blackstone Holdings Partnership Agreements), if such Blackstone Holdings Limited Partner, at the time of such request for exchange, is, for U.S. federal income tax purposes, a partner of the Issuer.

SECTION 2.4. Splits, Distributions and Reclassifications.

(a) The Exchange Rate shall be adjusted accordingly if there is: (1) any subdivision (by split, distribution, reclassification, recapitalization or otherwise) or combination (by reverse split, reclassification, recapitalization or otherwise) of the Blackstone Holdings Partnership Units that is not accompanied by an identical subdivision or combination of the Common Units; or (2) any subdivision (by split, distribution, reclassification, recapitalization or otherwise) or combination (by reverse split, reclassification, recapitalization or otherwise) of the Common Units that is not accompanied by an identical subdivision or combination of the Blackstone Holdings Partnership Units. In the event of a reclassification or other similar transaction as a result of which the Common Units are converted into another security, then a Blackstone Holdings Limited Partner shall be entitled to receive upon exchange the amount of such security that such Blackstone Holdings Limited Partner would have received if such exchange had occurred immediately prior to the effective date of such reclassification or other

similar transaction. Except as may be required in the immediately preceding sentence, no adjustments in respect of distributions shall be made upon the exchange of any Blackstone Holdings Partnership Unit.

SECTION 2.5. Common Units to be Issued .

(a) The Issuer covenants that if any Common Units require registration with or approval of any governmental authority under any U.S. federal or state law before such Common Units may be issued upon exchange pursuant to this Article II, the Issuer shall use commercially reasonable efforts to cause such Common Units to be duly registered or approved, as the case may be. The Issuer shall use commercially reasonable efforts to list the Common Units required to be delivered upon exchange prior to such delivery upon each national securities exchange or inter-dealer quotation system upon which the outstanding Common Units may be listed or traded at the time of such delivery. Nothing contained herein shall be construed to preclude the Issuer or the Blackstone Holdings Partnership from satisfying their obligations in respect of the exchange of the Blackstone Holdings Partnership Units by delivery of Common Units which are held in the treasury of the Issuer or the Blackstone Holdings Partnership or any of their subsidiaries.

SECTION 2.6. Taxes.

(a) The delivery of Common Units upon exchange of Blackstone Holdings Partnership Units shall be made without charge to the Blackstone Holdings Limited Partners for any stamp or other similar tax in respect of such issuance.

SECTION 2.7. Restrictions.

(a) The provisions of Sections 8.02, 8.03 (other than paragraphs (a), (b) and (d)), 8.04 and 8.06 of the Blackstone Holdings Partnership Agreements shall apply, mutatis mutandis , to any Common Units issued upon exchange of Blackstone Holdings Partnership Units; and the provisions of paragraphs (b) and (d) of Section 8.03 of the Blackstone Holdings Partnership Agreements shall permit Transfers of Common Units issued upon exchange of Blackstone Holdings Partnership Units to the same extent as Exchange Transactions (as defined in the Blackstone Holdings Partnership Agreements) with respect to Blackstone Holdings Partnership Units may be permitted under such provisions. In each case, the provisions of Sections 8.03 and 8.04 of the Blackstone Holdings Partnership Agreements shall apply in the aggregate to Blackstone Holdings Partnership Units and Common Units received in exchange for Blackstone Holdings Partnership Units held by each Blackstone Holdings Limited Partner or Limited Partner (as defined in the Issuer Partnership Agreement) of the Issuer.

SECTION 2.8. Disposition of Common Units Issued.

(a) A Blackstone Holdings Limited Partner requesting an exchange under this Agreement covenants to use reasonable best efforts to sell or otherwise dispose of any Common Units received in such an exchange within ten (10) days of the receipt thereof or any specified shorter period as the general partner of the Issuer determines to be in the best interests of the Issuer, and that no other Common Units will be acquired or held by such Blackstone Holdings Limited Partner during such period. Any Blackstone Holdings Limited Partner holding any

Common Units on the last day of such period shall cause all such Common Units to be transferred immediately to a partnership, trust or other entity (other than an entity disregarded as an entity separate from its parent for United States federal income tax purposes).

SECTION 2.9. Subsequent Offerings .

(a) The Issuer may from time to time provide the opportunity for Blackstone Holdings Limited Partners to sell their Blackstone Holdings Partnership Units to the Issuer, the Blackstone Holdings Partnerships or any of their subsidiaries (a " Sale Transaction "); provided that no Sale Transaction shall occur unless the Issuer cancels the nearest Quarterly Exchange Date scheduled to occur in the same fiscal year of the Issuer as such Sale Transaction. A Blackstone Limited Partner selling Blackstone Holdings Partnership Units in connection with a Sale Transaction must provide notice to Issuer at least thirty (30) days prior to the cash settlement of such Sale Transaction in respect of the Blackstone Holdings Partnership Units to be sold, in each case delivered during normal business hours at the principal executive offices of the Issuer. For the avoidance of doubt, the total aggregate number of Quarterly Exchange Dates and Sale Transactions occurring during any fiscal year of the Issuer shall not exceed four (4).

ARTICLE III

GENERAL PROVISIONS

SECTION 3.1. Amendment . (a) The provisions of this Agreement may be amended by the affirmative vote or written consent of: (i) in the case of matters relating solely to A Exchanges, the Issuer and each of the Blackstone Holdings Partnerships and, after a Change of Control (as such term as defined in the Blackstone Holdings Partnership Agreements), the holders of at least a majority of the Vested Percentage Interests (as such term as defined in the Blackstone Holdings Partnership Agreements) of the holders of Blackstone Holdings Partnership Units (excluding Blackstone Holdings Partnership Units held by the Issuer and the Blackstone Holdings General Partners), and (ii) for all other matters, each of the Blackstone Holdings Partnerships and, after a Change of Control (as such term as defined in the Blackstone Holdings Partnership Agreements), the holders of at least a majority of the Vested Percentage Interests (as such term as defined in the Blackstone Holdings Partnership Agreements) of the Blackstone Holdings Partnership Units (excluding Blackstone Holdings Partnership Units held by the Issuer and the Blackstone Holdings General Partners).

(b) Each Blackstone Holdings Limited Partner hereby expressly consents and agrees that, whenever in this Agreement it is specified that an action may be taken upon the affirmative vote or written consent of less than all of the Blackstone Holdings Limited Partners, such action may be so taken upon the concurrence of less than all of the Blackstone Holdings Limited Partners and each Blackstone Holdings Limited Partner shall be bound by the results of such action.

SECTION 3.2. Addresses and Notices . All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax, by electronic mail (delivery receipt requested) or by registered or certified mail (postage prepaid,
return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be as specified in a notice given in accordance with this Section 3.2):

(a) If to the Issuer, to:

345 Park Avenue
New York, New York 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(b) If to Blackstone Holdings I L.P.
Blackstone Holdings II L.P.
Blackstone Holdings III L.P.
Blackstone Holdings IV L.P.
Blackstone Holdings V L.P., to:

345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

(c) If to any Blackstone Holdings Limited Partner, to:

c/o The Blackstone Group L.P.
345 Park Avenue
New York, New York 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

SECTION 3.3. Further Action . The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

SECTION 3.4. Binding Effect . This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

SECTION 3.5. Severability . If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

SECTION 3.6. Integration . This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

SECTION 3.7. Waiver . No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement or condition.

SECTION 3.8. Submission to Jurisdiction; Waiver of Jury Trial .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), in the case of matters relating to an A Exchange, the Issuer may bring, and in the case of matters relating to a B Exchange, the Blackstone Holdings Partnerships may cause any Blackstone Holdings Partnership to bring, on behalf of the Issuer or such Blackstone Holdings Partnership or on behalf of one or more Blackstone Holdings Limited Partners, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Blackstone Holdings Limited Partner (i) expressly consents to the application of paragraph (c) of this Section 3.8 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Issuer, in the case of matters relating to an A Exchange, or the Blackstone Holdings Partnerships, in the case of matters relating to a B Exchange, as such Blackstone Holdings Limited Partner's agents for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Blackstone Holdings Limited Partner of any such service of process, shall be deemed in every respect effective service of process upon the Blackstone Holdings Limited Partner in any such action or proceeding.

(c)(i) EACH BLACKSTONE HOLDINGS LIMITED PARTNER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN

NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 3.8, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 3.8 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 3.8 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq.) (the " Delaware Arbitration Act "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 3.8, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 3.8. In that case, this Section 3.8 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 3.8 shall be construed to omit such invalid or unenforceable provision.

SECTION 3.9. Counterparts . This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 3.9.

SECTION 3.10. Tax Treatment . To the extent this Agreement imposes obligations upon a particular Blackstone Holdings Partnership or a Blackstone Holdings General Partner, this Agreement shall be treated as part of the relevant Blackstone Holdings Partnership Agreement as described in Section 761(c) of the Code and Sections 1.704-1(b)(2)(ii)(h) and 1.761-1(c) of the Treasury Regulations. As required by the Code and the Treasury Regulations, the parties shall report any B Exchange consummated hereunder, in the case of Blackstone Holdings I, Blackstone Holdings II and Blackstone Holdings V, as a taxable sale of Blackstone Holdings Partnership Units by a Blackstone Holdings Limited Partner to Blackstone Holdings I/II General Partner and Blackstone Holdings V General Partner, and in the case of Blackstone Holdings III and IV, as a tax-free exchange of Blackstone Holdings Partnership Units, and no party shall take a contrary position on any income tax return, amendment thereof or communication with a taxing authority.

SECTION 3.11. Applicable Law . This Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered, all as of the date first set forth above.

THE BLACKSTONE GROUP L.P.

By: Blackstone Group Management L.L.C.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

BLACKSTONE HOLDINGS I L.P.

By: Blackstone Holdings I/II GP Inc.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

BLACKSTONE HOLDINGS II L.P.

By: Blackstone Holdings I/II GP Inc.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

BLACKSTONE HOLDINGS III L.P.

By: Blackstone Holdings III GP L.L.C.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

BLACKSTONE HOLDINGS IV L.P.

By: Blackstone Holdings IV GP L.P.,
its general partner

By: Blackstone Holdings IV GP Management L.L.C.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

BLACKSTONE HOLDINGS V L.P.

By: Blackstone Holdings V GP L.P.,
its general partner

By: Blackstone Holdings V GP Management (Delaware) L.P.,
its general partner

By: Blackstone Holdings V GP Management L.L.C.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

AIG BG Holdings Inc.

By: /s/ Win J. Neuger
Name: Win J. Neuger
Title: President

LIMITED PARTNERS

All Limited Partners listed on Schedule I attached hereto, pursuant to the powers of attorney executed in favor of, and granted and delivered to Stephen A. Schwarzman pursuant to Section 8.9 of that certain Contribution and Sale Agreement, dated as of the date hereof, by and among the Partnership, Blackstone Holdings I/II GP Inc., Blackstone Holdings III GP L.L.C., Blackstone Holdings IV GP L.P., Blackstone Holdings V GP L.P., Blackstone Holdings I/II Limited Partner Inc., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P., and the other parties thereto.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Attorney-in-fact

EXHIBIT A

[FORM OF]
NOTICE OF A EXCHANGE

The Blackstone Group L.P.
345 Park Avenue
New York, New York 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

Reference is hereby made to the Exchange Agreement, dated as of _____, 2007 (the " Exchange Agreement "), among The Blackstone Group L.P., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P., and the Blackstone Holdings Limited Partners from time to time party thereto, as amended from time to time. Capitalized terms used but not defined herein shall have the meanings given to them in the Exchange Agreement.

The undersigned Blackstone Holdings Limited Partner desires to exchange the number of Blackstone Holdings Partnership Units set forth below in the form of exchange selected below to be issued in its name as set forth below.

Legal Name of Blackstone Holdings Limited Partner: _____

Address: _____

Number of Blackstone Holdings Partnership Units to be exchanged: _____

The undersigned (1) hereby represents that the Blackstone Holdings Partnership Units set forth above are owned by the undersigned, (2) hereby exchanges such Blackstone Holdings Partnership Units for Common Units as set forth in the Exchange Agreement, (3) hereby irrevocably constitutes and appoints any officer of the Blackstone Holdings Partnerships, the Blackstone Holdings General Partners, the Issuer or Blackstone Group Management L.L.C. as its attorney, with full power of substitution, to exchange said Blackstone Holdings Partnership Units on the books of the Blackstone Holdings Partnerships for Common Units on the books of the Issuer, with full power of substitution in the premises.

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Notice of Exchange to be executed and delivered by the undersigned or by its duly authorized attorney.

_____

Name:

Dated: _____

EXHIBIT B

[FORM OF]
NOTICE OF B EXCHANGE

Blackstone Holdings I L.P.
Blackstone Holdings II L.P.
Blackstone Holdings III L.P.
Blackstone Holdings IV L.P.
Blackstone Holdings V L.P.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

Reference is hereby made to the Exchange Agreement, dated as of _____, 2007 (the " Exchange Agreement "), among The Blackstone Group L.P., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P., and the Blackstone Holdings Limited Partners from time to time party thereto, as amended from time to time. Capitalized terms used but not defined herein shall have the meanings given to them in the Exchange Agreement.

The undersigned Blackstone Holdings Limited Partner desires to exchange the number of Blackstone Holdings Partnership Units set forth below in the form of exchange selected below to be issued in its name as set forth below.

Legal Name of Blackstone Holdings Limited Partner: _____

Address: _____

Number of Blackstone Holdings Partnership Units to be exchanged: _____

The undersigned (1) hereby represents that the Blackstone Holdings Partnership Units set forth above are owned by the undersigned, (2) hereby exchanges such Blackstone Holdings Partnership Units for Common Units as set forth in the Exchange Agreement, (3) hereby irrevocably constitutes and appoints any officer of the Blackstone Holdings Partnerships, the Blackstone Holdings General Partners, the Issuer or Blackstone Group Management L.L.C. as its attorney, with full power of substitution, to exchange said Blackstone Holdings Partnership Units on the books of the Blackstone Holdings Partnerships for Common Units on the books of the Issuer, with full power of substitution in the premises.

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Notice of Exchange to be executed and delivered by the undersigned or by its duly authorized attorney.

Name:

Dated: _____

Exhibit 10.8

REGISTRATION RIGHTS AGREEMENT

OF

THE BLACKSTONE GROUP L.P.

Dated as of June 18, 2007

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REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT (including Appendix A hereto, as such Appendix A may be amended from time to time pursuant to the provisions hereof, this " Agreement "), is made and entered into as of June 18, 2007, by and among The Blackstone Group L.P., a Delaware limited partnership (the " Partnership "), and the Covered Persons (defined below) from time to time party hereto.

WHEREAS, the Covered Persons are holders of Blackstone Holdings Partnership Units (defined below), which, subject to certain restrictions and requirements, are exchangeable at the option of the holder thereof for the Partnership's common units representing limited partner interests (the " Common Units "); and

WHEREAS, the Partnership desires to provide the Covered Persons with registration rights with respect to Common Units underlying their Blackstone Holdings Partnership Units and any other Common Units they may otherwise hold from time to time.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements, covenants and provisions herein contained, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS AND OTHER MATTERS

Section 1.1 Definitions . Capitalized terms used in this Agreement without other definition shall, unless expressly stated otherwise, have the meanings specified in this Section 1.1:

" Agreement " has the meaning ascribed to such term in the Recitals.

" Beneficial owner " has the meaning set forth in Rule 13d-3 under the Exchange Act.

" Blackstone Holdings " means, collectively, Blackstone Holdings I L.P., a Delaware limited partnership (" Blackstone Holdings I "), Blackstone Holdings II L.P., a Delaware limited partnership (" Blackstone Holdings II "), Blackstone Holdings III L.P., a Delaware limited partnership (" Blackstone Holdings III "), Blackstone Holdings IV L.P., a Québec société en commandite (" Blackstone Holdings IV "), and Blackstone Holdings V L.P., a Québec société en commandite (" Blackstone Holdings V ").

" Blackstone Holdings Partnership Unit " means, collectively, one partnership unit in each of Blackstone Holdings I, Blackstone Holdings II, Blackstone Holdings III, Blackstone Holdings IV and Blackstone Holdings V issued under each of their respective Blackstone Holdings Partnership Agreements.

" Blackstone Holdings Partnership Agreements " means, collectively, the Amended and Restated Limited Partnership Agreement of Blackstone Holdings I, the Amended and Restated Limited Partnership Agreement of Blackstone Holdings II, the Amended and Restated Limited Partnership Agreement of Blackstone Holdings III, the Amended and Restated Limited Partnership Agreement of Blackstone Holdings IV and the Amended and Restated Limited Partnership Agreement of Blackstone Holdings V, as each of them may be amended, supplemented or restated from time to time.

" Board " means the Board of Directors of the General Partner.

" Common Units " has the meaning ascribed to such term in the Recitals.

" Covered Person " means those persons from time to time listed on Appendix A hereto, and all persons who may become parties to this Agreement and whose name is required to be listed on Appendix A hereto, in each case in accordance with the terms hereof.

" Covered Blackstone Holdings Partnership Units " means, with respect to a Covered Person, such Covered Person's Blackstone Holdings Partnership Units.

" Demand Committee " shall mean a committee consisting of the individuals that are from time to time designated as "Founding Members" pursuant to the amended and restated limited liability company agreement of Blackstone Group Management L.L.C., as amended from time to time.

" Demand Notice " has the meaning ascribed to such term in Section 2.2(a).

" Demand Registration " has the meaning ascribed to such term in Section 2.2(a).

" Exchange Act " means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

" Exchange Agreement " means the exchange agreement dated as of or about the date hereof among the Partnership, Blackstone Holdings and the Limited Partners of Blackstone Holdings, as amended from time to time.

" Exchange Registration " has the meaning ascribed to such term in Section 2.1(a).

" General Partner " means Blackstone Group Management L.L.C., a Delaware limited liability company and the general partner of the Partnership, and any successor general partner thereof.

" Governmental Authority " means any national, local or foreign (including U.S. federal, state or local) or supranational (including European Union) governmental, judicial, administrative or regulatory (including self-regulatory) agency, commission, department, board, bureau, entity or authority of competent jurisdiction.

" Indemnified Parties " has the meaning ascribed to such term in Section 2.6.

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

" Partnership " has the meaning ascribed to such term in the Recitals.

" Permitted Transferee " means any transferee of a Blackstone Holdings Partnership Unit after the date hereof the transfer of which was permitted by the Blackstone Holdings Partnership Agreements.

" Public Offering " means an underwritten public offering pursuant to an effective registration statement under the Securities Act, other than pursuant to a registration statement on Form S-4 or Form S-8 or any similar or successor form.

" Registering Covered Person " has the meaning ascribed to such term in Section 2.5(a).

" Registrable Securities " means Common Units that may be delivered in exchange for Blackstone Holdings Partnership Units or otherwise held by Covered Persons from time to time. For purposes of this Agreement, Registrable Securities shall cease to be Registrable Securities when (i) a Registration Statement covering resales of such Registrable Securities has been declared effective under the Securities Act by the SEC and such Registrable Securities have been disposed of pursuant to such effective Registration Statement, (ii) such Registrable Securities of a Covered Person are eligible to be sold by such Covered Person pursuant to Rule 144(k) (or any successor provision then in effect) under the Securities Act or (iii) such Registrable Securities cease to be outstanding (or issuable upon exchange).

" Registration Expenses " means any and all expenses incident to the performance of or compliance with any registration or marketing of securities, including all (i) SEC and securities exchange registration and filing fees, and all other fees and expenses payable in connection with the listing of securities on any securities exchange or automated interdealer quotation system, (ii) fees and expenses of compliance with any securities or "blue sky" laws (including reasonable fees and disbursements of counsel in connection with "blue sky" qualifications of the securities registered), (iii) expenses in connection with the preparation, printing, mailing and delivery of any registration statements, prospectuses and other documents in connection therewith and any amendments or supplements thereto, (iv) security engraving and printing expenses, (v) internal expenses of the General Partner, the Partnership and Blackstone Holdings (including, without limitation, all salaries and expenses of the officers and employees of the General Partner, the Partnership or Blackstone Holdings performing legal or accounting duties), (vi) reasonable fees and disbursements of counsel for the General Partner, the Partnership or Blackstone Holdings and customary fees and expenses for independent certified public accountants retained by the General Partner, the Partnership or Blackstone Holdings (including the expenses relating to any comfort letters or costs associated with the delivery by independent certified public accountants of any comfort letters requested pursuant to Section 2.5(i)), (vii) reasonable fees and expenses of any special experts retained by the General Partner, the Partnership or Blackstone Holdings in connection with such registration, (viii) reasonable fees, out-of-pocket costs and expenses of the Covered Persons, including one counsel for all of the Covered Persons participating in the offering selected by the Demand Committee, (ix) fees and expenses in connection with any review by the NASD of the underwriting arrangements or other terms of the offering, and all fees and expenses of any "qualified independent underwriter," including the fees and expenses of any counsel thereto, (x) fees and disbursements of underwriters customarily paid by issuers or sellers of securities, but excluding any underwriting fees, discounts and commissions attributable to the sale of Registrable Securities, (xi) costs of printing and producing any agreements among underwriters, underwriting agreements, any "blue sky" or legal investment memoranda and any

selling agreements and other documents in connection with the offering, sale or delivery of the Registrable Securities, (xii) transfer agents' and registrars' fees and expenses and the fees and expenses of any other agent or trustee appointed in connection with such offering, (xiii) expenses relating to any analyst or investor presentations or any "road shows" undertaken in connection with the registration, marketing or selling of the Registrable Securities, (xiv) fees and expenses payable in connection with any ratings of the Registrable Securities, including expenses relating to any presentations to rating agencies and (xv) all out-of-pocket costs and expenses incurred by the General Partner, the Partnership, Blackstone Holdings or their appropriate officers in connection with their compliance with Section 2.5(m).

" SEC " means the Securities and Exchange Commission.

" Securities Act " means the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

Section 1.2 Definitions Generally . Wherever required by the context of this Agreement, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa, and references to any agreement, document or instrument shall be deemed to refer to such agreement, document or instrument as amended, supplemented or modified from time to time. When used herein:

(a) the word "or" is not exclusive;

(b) the words "including," "includes," "included" and "include" are deemed to be followed by the words "without limitation";

(c) the terms "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular section, paragraph or subdivision;

(d) the word "person" means any individual, corporation, limited liability company, trust, joint venture, association, company, partnership or other legal entity or a government or any department or agency thereof or self-regulatory organization; and

(e) all section, paragraph or clause references not attributed to a particular document shall be references to such parts of this Agreement, and all exhibit, annex and schedule references not attributed to a particular document shall be references to such exhibits, annexes and schedules to this Agreement.

ARTICLE II
REGISTRATION RIGHTS

Section 2.1 Exchange Registration .

(a) The Partnership shall use its commercially reasonable efforts to cause to be declared effective under the Securities Act by the SEC, prior to the time that Blackstone Holdings Partnership Units held by Covered Persons become available for exchange for

Common Units pursuant to the terms of the Blackstone Holdings Partnership Agreements and the Exchange Agreement, one or more registration statements (the " Exchange Registration ") covering (i) the delivery by the Partnership or its subsidiaries, from time to time, to the Covered Persons of Common Units registered under the Securities Act in exchange for such Blackstone Holdings Partnership Units or (ii) if the Partnership determines that the registration provided for in clause (i) is not available for any reason, the registration of resale of such Common Units by the Covered Persons.

(b) The Partnership shall be liable for and pay all Registration Expenses in connection with any Exchange Registration, regardless of whether such registration is effected.

(c) Upon notice to each Covered Person participating in any Exchange Registration, the Partnership may postpone effecting a registration pursuant to this Section 2.1 on up to three occasions during any period of six consecutive months for a reasonable time specified in the notice but not exceeding 120 days in the aggregate (which period may not be extended or renewed), if (i) the General Partner shall determine in good faith that effecting the registration would materially and adversely affect an offering of securities of the Partnership the preparation of which had then been commenced or (ii) the Partnership is in possession of material non-public information the disclosure of which during the period specified in such notice the General Partner believes in good faith would not be in the best interests of the Partnership.

Section 2.2 Demand Registration .

(a) If at any time the Partnership shall receive a written request (a " Demand Notice ") from the Demand Committee that the Partnership effect the registration under the Securities Act of all or any portion of the Registrable Securities specified in the Demand Notice (a " Demand Registration "), specifying the information set forth under Section 2.5(j), then the Partnership shall use its commercially reasonable efforts to effect, as expeditiously as reasonably practicable, subject to the restrictions in Section 2.2(d), the registration under the Securities Act of the Registrable Securities for which the Demand Committee has requested registration under this Section 2.2, all to the extent necessary to permit the disposition (in accordance with the intended methods thereof as aforesaid) of the Registrable Securities so to be registered.

(b) At any time prior to the effective date of the registration statement relating to such registration, the Demand Committee may revoke such Demand Registration request by providing a notice to the Partnership revoking such request. The Partnership shall be liable for and pay all Registration Expenses in connection with any Demand Registration.

(c) If a Demand Registration involves an underwritten Public Offering and the managing underwriter advises the Partnership and the Demand Committee that, in its view, the number of units of Registrable Securities requested to be included in such registration exceeds the largest number of units that can be sold without having a material adverse effect on such offering, including the price at which such units can be sold (the " Maximum Offering Size "), the Partnership shall include in such registration, in the priority listed below, up to the Maximum Offering Size:

(i) first, all Registrable Securities requested to be registered in the Demand Registration by the Demand Committee (allocated, if necessary for the offering not to exceed the Maximum Offering Size, in such proportions as shall be determined by the Demand Committee);

(ii) second, any securities proposed to be registered by the Partnership or any securities proposed to be registered for the account of any other persons, with such priorities among them as the Partnership shall determine.

(d) Upon notice to the Demand Committee, the Partnership may postpone effecting a registration pursuant to this Section 2.2 on up to three occasions during any period of six consecutive months for a reasonable time specified in the notice but not exceeding 120 days in the aggregate (which period may not be extended or renewed), if (i) the General Partner shall determine in good faith that effecting the registration would materially and adversely affect an offering of securities of the Partnership the preparation of which had then been commenced or (ii) the Partnership is in possession of material non-public information the disclosure of which during the period specified in such notice the General Partner believes in good faith would not be in the best interests of the Partnership.

Section 2.3 Piggyback Registration .

(a) Subject to any contractual obligations to the contrary, if the Partnership proposes at any time to register any of the equity securities issued by it under the Securities Act (other than a registration on Form S-8 or Form S-4, or any successor forms, relating to Common Units issuable in connection with any employee benefit or similar plan of the Partnership or in connection with a direct or indirect acquisition by the Partnership of another person or as a recapitalization or reclassification of securities of the Partnership), whether or not for sale for its own account, the Partnership shall each such time give prompt notice at least 15 business days prior to the anticipated filing date of the registration statement relating to such registration to the Demand Committee, which notice shall offer the Demand Committee the opportunity to elect to include in such registration statement the number of Registrable Securities of the same class or series as those proposed to be registered held by Covered Persons as the Demand Committee may request (a " Piggyback Registration "), subject to the provisions of Section 2.3(b). If the Demand Committee elects to effect a Piggyback Registration, the Partnership shall give notice of the registration statement relating to such registration to those Covered Persons who the Demand Committee determines to afford participation in the Piggyback Registration. Upon the request of the Demand Committee, the Partnership shall use its commercially reasonable efforts to effect the registration under the Securities Act of all Registrable Securities that the Partnership has been so requested to register by the Demand Committee, to the extent necessary to permit the disposition of the Registrable Securities to be so registered, provided that (i) if such registration involves an underwritten Public Offering, all such Covered Persons to be included in the Partnership's registration must sell their Registrable Securities to the underwriters selected by the Partnership on the same terms and conditions as apply to the Partnership or any other selling person, as applicable, and (ii) if, at any time after giving notice of its intention to register any securities pursuant to this Section 2.3(a) and prior to the effective date of the registration statement filed in connection with such registration, the Partnership shall determine for any reason not to register such securities, the Partnership shall give notice to all such Covered

Persons and, thereupon, shall be relieved of its obligation to register any Registrable Securities in connection with such registration. No registration effected under this Section 2.3 shall relieve the Partnership of its obligations to effect an Exchange Registration or Demand Registration to the extent required by Section 2.1 or Section 2.2, respectively. The Partnership shall pay all Registration Expenses in connection with each Piggyback Registration.

(b) Subject to Section 2.2(c) and any other contractual obligations to the contrary, if a Piggyback Registration involves an underwritten Public Offering and the managing underwriter advises the Partnership that, in its view, the number of Registrable Securities that the Partnership and such Covered Persons intend to include in such registration exceeds the Maximum Offering Size, the Partnership shall include in such registration, in the following priority, up to the Maximum Offering Size:

(i) first, the Partnership securities proposed to be registered for the account of the Partnership;

(ii) second, the Partnership securities proposed to be registered pursuant to any demand registration rights of third parties;

(iii) third, all Registrable Securities requested to be included in such registration by any Covered Persons (allocated, if necessary for the offering not to exceed the Maximum Offering Size, in such proportions as shall be determined by the Demand Committee); and

(iv) fourth, any securities proposed to be registered for the account of any other persons with such priorities among them as the Partnership shall determine.

(c) Notwithstanding any provision in this Section 2.3 or elsewhere in this Agreement, no provision relating to the registration of Registrable Securities shall be construed as permitting any Covered Person to effect a transfer of securities that is otherwise prohibited by the terms of any agreement between such Covered Person and the Partnership or any of its subsidiaries. Unless the Partnership shall otherwise consent, the Partnership shall not be obligated to provide notice or afford Piggyback Registration to the Demand Committee or any Covered Person pursuant to this Section 2.3 unless some or all of such person's Registrable Securities are permitted to be transferred under the terms of applicable agreements between such person and the Partnership or any of its subsidiaries.

Section 2.4 Lock-Up Agreements . If any registration of Registrable Securities shall be effected in connection with a Public Offering, neither the Partnership nor any Covered Person shall effect any public sale or distribution, including any sale pursuant to Rule 144, of any Common Units or other security of the Partnership (except as part of such Public Offering) during the period beginning 14 days prior to the effective date of the applicable registration statement until the earlier of (i) such time as the Partnership and the lead managing underwriter shall agree and (ii) 180 days following the pricing of the Public Offering.

Section 2.5 Registration Procedures . In connection with any request by the Demand Committee that Registrable Securities be registered pursuant to Sections 2.2 or 2.3,

subject to the provisions of such Sections, the paragraphs below shall be applicable, and in connection with any Exchange Registration pursuant to Section 2.1, paragraphs (a), (c), (d), (e) and (l) below shall be applicable:

(a) The Partnership shall as expeditiously as reasonably practicable prepare and file with the SEC a registration statement on any form for which the Partnership then qualifies or that counsel for the Partnership shall deem appropriate and which form shall be available for the registration of the Registrable Securities to be registered thereunder in accordance with the intended method of distribution thereof, and use its commercially reasonable efforts to cause such filed registration statement to become and remain effective for a period of not less than 40 days, or in the case of an Exchange Registration until all of the Registrable Securities of the Covered Persons included in any such registration statement (each, a " Registering Covered Person ") shall have actually been exchanged thereunder.

(b) Prior to filing a registration statement or prospectus or any amendment or supplement thereto, the Partnership shall, if requested, furnish to each Registering Covered Person and each underwriter, if any, of the Registrable Securities covered by such registration statement copies of such registration statement as proposed to be filed, and thereafter the Partnership shall furnish to such Registering Covered Person and underwriter, if any, such number of copies of such registration statement, each amendment and supplement thereto (in each case including all exhibits thereto and documents incorporated by reference therein), the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus) and any other prospectus filed under Rule 424 or Rule 430A under the Securities Act and such other documents as such Registering Covered Person or underwriter may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such Registering Covered Person. The Registering Covered Person shall have the right to request that the Partnership modify any information contained in such registration statement, amendment and supplement thereto pertaining to such Registering Covered Person and the Partnership shall use its all commercially reasonable efforts to comply with such request, provided, however, that the Partnership shall not have any obligation to so modify any information if the Partnership reasonably expects that so doing would cause the prospectus to contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(c) After the filing of the registration statement, the Partnership shall (i) cause the related prospectus to be supplemented by any required prospectus supplement, and, as so supplemented, to be filed pursuant to Rule 424 under the Securities Act, (ii) comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities covered by such registration statement during the applicable period in accordance with the intended methods of disposition by the Registering Covered Person thereof set forth in such registration statement or supplement to such prospectus and (iii) promptly notify each Registering Covered Person holding Registrable Securities covered by such registration statement of any stop order issued or threatened by the SEC suspending the effectiveness of such registration statement or any state securities commission and take all commercially reasonable efforts to prevent the entry of such stop order or to obtain the withdrawal of such order if entered.

(d) To the extent any "free writing prospectus" (as defined in Rule 405 under the Securities Act) is used, the Partnership shall file with the SEC any free writing prospectus that is required to be filed by the Partnership with the SEC in accordance with the Securities Act and retain any free writing prospectus not required to be filed.

(e) The Partnership shall use its commercially reasonable efforts to (i) register or qualify the Registrable Securities covered by such registration statement under such other securities or "blue sky" laws of such jurisdictions in the United States as any Registering Covered Person holding such Registrable Securities or each underwriter, if any, reasonably (in light of such member's intended plan of distribution) requests and (ii) cause such Registrable Securities to be registered with or approved by such other governmental agencies or authorities as may be necessary by virtue of the business and operations of the Partnership and do any and all other acts and things that may be reasonably necessary or advisable to enable such Registering Covered Person to consummate the disposition of the Registrable Securities owned by such person, provided that the Partnership shall not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 2.5(e), (B) subject itself to taxation in any such jurisdiction or (C) consent to general service of process in any such jurisdiction.

(f) The Partnership shall immediately notify each Registering Covered Person holding such Registrable Securities covered by such registration statement or each underwriter, if any, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the occurrence of an event requiring the preparation of a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and promptly prepare and make available to each such Registering Covered Person or underwriter, if any, and file with the SEC any such supplement or amendment.

(g) The Demand Committee shall select an underwriter or underwriters in connection with any Public Offering. In connection with any Public Offering, the Partnership shall enter into customary agreements (including an underwriting agreement in customary form) and take such all other actions as are reasonably required in order to expedite or facilitate the disposition of such Registrable Securities in any such Public Offering, including if necessary the engagement of a "qualified independent underwriter" in connection with the qualification of the underwriting arrangements with the NASD.

(h) Subject to the execution of confidentiality agreements satisfactory in form and substance to the Partnership in the exercise of its good faith judgment, pursuant to the reasonable request of the Demand Committee or underwriter (if any), the Partnership will give to each Registering Covered Person, each underwriter (if any) and their respective counsel and accountants (i) reasonable and customary access to its books and records and

(ii) such opportunities to discuss the business of the Partnership with its directors, officers, employees, counsel and the independent public accountants who have certified its financial statements, as shall be appropriate, in the reasonable judgment of counsel to such Registering Covered Person or underwriter, to enable them to exercise their due diligence responsibility.

(i) The Partnership shall use its commercially reasonable efforts to furnish to each Registering Covered Person and to each such underwriter, if any, a signed counterpart, addressed to such person or underwriter, of (i) an opinion or opinions of counsel to the Partnership and (ii) a comfort letter or comfort letters from the Partnership's independent public accountants, each in customary form and covering such matters of the kind customarily covered by opinions or comfort letters, as the case may be, as the Demand Committee or underwriter reasonably requests.

(j) Each Registering Covered Person registering securities under Sections 2.2 or 2.3 shall promptly furnish in writing to the Partnership the information set forth in Appendix B and such other information regarding itself, the distribution of the Registrable Securities as the Partnership may from time to time reasonably request and such other information as may be legally required or advisable in connection with such registration.

(k) Each Registering Covered Person and each underwriter, if any, agrees that, upon receipt of any notice from the Partnership of the happening of any event of the kind described in Section 2.5(f), such Registering Covered Person or underwriter shall forthwith discontinue disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until such Registering Covered Person's or underwriter's receipt of the copies of the supplemented or amended prospectus contemplated by Section 2.5(f), and, if so directed by the Partnership, such Registering Covered Person or underwriter shall deliver to the Partnership all copies, other than any permanent file copies then in such Registering Covered Person's possession, of the most recent prospectus covering such Registrable Securities at the time of receipt of such notice. If the Partnership shall give such notice, the Partnership shall extend the period during which such registration statement shall be maintained effective (including the period referred to in Section 2.5 (a)) by the number of days during the period from and including the date of the giving of notice pursuant to Section 2.5(f) to the date when the Partnership shall make available to such Registering Covered Person a prospectus supplemented or amended to conform with the requirements of Section 2.5(f).

(l) The Partnership shall use its commercially reasonable efforts to list all Registrable Securities covered by such registration statement on any securities exchange or quotation system on which any of the Registrable Securities are then listed or traded.

(m) The Partnership shall have appropriate officers of the General Partner, the Partnership or Blackstone Holdings (i) prepare and make presentations at any "road shows" and before analysts and rating agencies, as the case may be, (ii) take other actions to obtain ratings for any Registrable Securities and (iii) otherwise use their commercially reasonable efforts to cooperate as reasonably requested by the underwriters in the offering, marketing or selling of the Registrable Securities.

(n) The Partnership shall cooperate with the Registering Covered Persons to facilitate the timely delivery of Registrable Securities to be sold, which shall not bear any restrictive legends, and to enable such Registrable Securities to be issued in such denominations and registered in such names as such Registering Covered Persons may reasonably request at least two business days prior to the closing of any sale of Registrable Securities.

Section 2.6 Indemnification by the Partnership . In the event of any registration of any Registrable Securities of the Partnership under the Securities Act pursuant to this Article II, the Partnership will, and it hereby does, indemnify and hold harmless, to the extent permitted by law, a Registering Covered Person, each affiliate of such Registering Covered Person and their respective directors and officers or general and limited partners or members and managing members (including any director, officer, affiliate, employee, agent and controlling person of any of the foregoing) and each other person, if any, who controls such seller within the meaning of the Securities Act (collectively, the "Indemnified Parties"), from and against any and all losses, claims, damages and liabilities (including, without limitation, legal fees and other expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (1) any untrue statement or alleged untrue statement of a material fact contained in any registration statement or amendment or supplement thereto under which such Registrable Securities were registered or any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein not misleading, or (2) any untrue statement or alleged untrue statement of a material fact contained in any prospectus, any free writing prospectus or any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Securities Act in respect of the Registrable Securities, or amendment or supplement thereto, or any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the Partnership shall not be liable to any Indemnified Party in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon any untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement, prospectus, any free writing prospectus or any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Securities Act in respect of the Registrable Securities, or amendment or supplement thereto, in reliance upon and in conformity with written information furnished to the Partnership with respect to such seller or any underwriter specifically for use in the preparation thereof.

Section 2.7 Indemnification by Registering Covered Persons . Each Registering Covered Person hereby indemnifies and holds harmless, and the Partnership may require, as a condition to including any Registrable Securities in any registration statement filed in accordance with this Article II, that the Partnership shall have received an undertaking reasonably satisfactory to it from any underwriter to indemnify and hold harmless, the Partnership and all other prospective sellers of Registrable Securities, the directors of the General Partner, each officer of the General Partner or the Partnership who signed the Registration

Statement and each person, if any, who controls the Partnership and all other prospective sellers of Registrable Securities within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in Section 2.6 above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Partnership with respect to such seller or any underwriter specifically for use in the preparation of such registration statement, prospectus, any free writing prospectus or any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Securities Act in respect of the Registrable Securities, or amendment or supplement thereto. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Partnership, any of the Registering Covered Persons or any underwriter, or any of their respective affiliates, directors, officers or controlling persons and shall survive the transfer of such securities by such person. In no event shall any such indemnification liability of any Registering Covered Person be greater in amount than the dollar amount of the proceeds received by such Registering Covered Person upon the sale of the Registrable Securities giving rise to such indemnification obligation.

Section 2.8 Conduct of Indemnification Proceedings . Promptly after receipt by an Indemnified Party hereunder of written notice of the commencement of any action or proceeding with respect to which a claim for indemnification may be made pursuant to this Article II, such Indemnified Party will, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the latter of the commencement of such action; provided, that the failure of the Indemnified Party to give notice as provided herein shall not relieve the indemnifying party of its obligations under this Article II, except to the extent that the indemnifying party is materially prejudiced by such failure to give notice.

In case any such action is brought against an Indemnified Party, unless in such Indemnified Party's reasonable judgment a conflict of interest between such Indemnified Party and indemnifying parties may exist in respect of such claim, the indemnifying party will be entitled to participate in and to assume the defense thereof, jointly with any other indemnifying party similarly notified to the extent that it may wish, with counsel reasonably satisfactory to such Indemnified Party, and after notice from the indemnifying party to such Indemnified Party of its election so to assume the defense thereof, the indemnifying party will not be liable to such Indemnified Party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof other than reasonable costs of investigation. It is understood and agreed that the indemnifying person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Parties, and that all such fees and expenses shall be reimbursed as they are incurred. Any such separate firm (x) for any Covered Person, its affiliates, directors and officers and any control persons of such Indemnified Party shall be designated in writing by the Demand Committee, (y) in all other cases shall be designated in writing by the General Partner. The indemnifying person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying person agrees to indemnify each Indemnified Party from and against any loss or liability by reason of such settlement or judgment. No indemnifying person shall, without the written consent of the Indemnified Party, effect any settlement of any pending or threatened proceeding in respect of

which any Indemnified Party is or could have been a party and indemnification could have been sought hereunder by such Indemnified Party, unless such settlement (A) includes an unconditional release of such Indemnified Party, in form and substance reasonably satisfactory to such Indemnified Party, from all liability on claims that are the subject matter of such proceeding and (B) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Party.

Section 2.9 Contribution . If the indemnification provided for in this Article II from the indemnifying party is unavailable to an Indemnified Party hereunder in respect of any losses, claims, damages, liabilities or expenses referred to herein, then the indemnifying party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages, liabilities or expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party and Indemnified Parties in connection with the actions which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative fault of such indemnifying party and Indemnified Parties shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, has been made by, or relates to information supplied by, such indemnifying party or Indemnified Parties, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action. The amount paid or payable by a party under this Section 2.9 as a result of the losses, claims, damages, liabilities and expenses referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with any investigation or proceeding.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 2.9 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

Section 2.10 Participation in Public Offering . No Covered Person may participate in any Public Offering hereunder unless such Covered Person (a) agrees to sell such Covered Person's securities on the basis provided in any underwriting arrangements approved by the Covered Persons entitled hereunder to approve such arrangements and (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements and the provisions of this Agreement in respect of registration rights.

Section 2.11 Other Indemnification . Indemnification similar to that specified herein (with appropriate modifications) shall be given by the Partnership and the Registering Covered Person participating therein with respect to any required registration or other qualification of securities under any federal or state law or regulation or Governmental Authority other than the Securities Act.

Section 2.12 Cooperation by the Partnership . If the Covered Person shall transfer any Registrable Securities pursuant to Rule 144, the Partnership shall use its commercially reasonable efforts to cooperate with the Covered Person and shall provide to the Covered Person such information as may be required to be provided under Rule 144.

Section 2.13 Parties in Interest . Each Covered Person shall be entitled to receive the benefits of this Agreement and shall be bound by the terms and provisions of this Agreement by reason of such Covered Person's election to participate in a registration under this Article II. To the extent Blackstone Holdings Partnership Units are effectively transferred in accordance with the terms of the Blackstone Holdings Partnership Agreements, the transferee of such Blackstone Holdings Partnership Units shall be entitled to receive the benefits of this Agreement and shall be bound by the terms and provisions of this Agreement upon becoming bound hereby pursuant to Section 3.1(c).

Section 2.15 Acknowledgement Regarding the Partnership . Other than those determinations reserved expressly to the Demand Committee, all determinations necessary or advisable under this Article II shall be made by the General Partner, the determinations of which shall be final and binding.

Section 2.16 Mergers, Recapitalizations, Exchanges or Other Transactions Affecting Registrable Securities . The provisions of this Agreement shall apply to the full extent set forth herein with respect to the Registrable Securities, to any and all securities or units of Blackstone Holdings or the Partnership or any successor or assign of any such person (whether by merger, amalgamation, consolidation, sale of assets or otherwise) that may be issued in respect of, in exchange for, or in substitution of such Registrable Securities, by reason of any dividend, split, issuance, reverse split, combination, recapitalization, reclassification, merger, amalgamation, consolidation or otherwise.

ARTICLE III
MISCELLANEOUS

Section 3.1 Term of the Agreement; Termination of Certain Provisions .

(a) The term of this Agreement shall continue until the first to occur of (i) such time as no Covered Person holds any Covered Blackstone Holdings Partnership Units or Registrable Securities and (ii) such time as the Agreement is terminated by the Demand Committee.

(b) Unless this Agreement is theretofore terminated pursuant to Section 3.1(a) hereof, a Covered Person shall be bound by the provisions of this Agreement with respect to any Covered Blackstone Holdings Partnership Units or Registrable Securities until such time as such Covered Person ceases to hold any Covered Blackstone Holdings Partnership Units or Registrable Securities. Thereafter, such Covered Person shall no longer be bound by the provisions of this Agreement other than Sections 2.7, 2.8, 2.9 and 2.11 and this Article III, and such Covered Person's name shall be removed from Appendix A to this Agreement. Any person that has ceased to be a Covered Person and that reacquires Covered Blackstone Holdings Partnership Units or Registrable Securities shall be added to Appendix A as a Covered Person; provided, that, such person shall first sign an agreement in the form approved by the Partnership acknowledging that such person is bound by the terms and provisions of the Agreement.

(c) Any Permitted Transferee shall be added to Appendix A as a Covered Person; provided, that, such Permitted Transferee shall first sign an agreement in the form approved by the Partnership acknowledging that such Permitted Transferee is bound by the terms and provisions of the Agreement.

Section 3.2 Amendments; Waiver .

(a) The provisions of this Agreement may be amended by the Partnership and, except as provided in paragraph (b) below, the Demand Committee. In addition to any other consent, vote or approval that may be required under this Section 3.2, any amendment of this Agreement that has the effect of changing the obligations of the Partnership hereunder to make such obligations materially more onerous to the Partnership shall require the approval of the Partnership.

(b) Each Covered Person understands that from time to time certain other persons may become Covered Persons and certain Covered Persons will cease to be bound by the provisions of this Agreement pursuant to the terms hereof. This Agreement may be amended from time to time by the Partnership (without the approval of any other person), but solely for the purposes of (i) adding to Appendix A Permitted Transferees of the Covered Blackstone Holdings Partnership Units as provided in Section 3.1(c) who sign this Agreement and (ii) removing from Appendix A such persons as shall cease to be bound by the provisions of this Agreement pursuant to Sections 3.1(b) hereof, which additions and removals shall be given effect from time to time by appropriate changes to Appendix A.

(c) No provision of this Agreement may be waived except by an instrument in writing executed by the party against whom the waiver is to be effective.

Section 3.3 Governing Law . THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK.

Section 3.4 Submission to Jurisdiction; Waiver of Jury Trial .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language.

Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the General Partner may bring, or may cause the Partnership to bring, on behalf of the General Partner or the Partnership, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Covered Person (i) expressly consents to the application of paragraph (c) of this Section 3.4 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the General Partner as such Covered Person's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise such Covered Person of any such service of process, shall be deemed in every respect effective service of process upon the Covered Person in any such action or proceeding.

(c)(i) EACH COVERED PERSON HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 3.4, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 3.4 and such parties agree not to plead or claim the same.

Section 3.5 Notices .

(a) All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax, by electronic mail (delivery receipt requested) or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 3.5):

If to a Covered Person,

c/o The Blackstone Group L.P.
345 Park Avenue
New York, New York 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

If to the Partnership, at

The Blackstone Group L.P.
345 Park Avenue
New York, New York 10154
Attention: Chief Legal Officer
Fax: (212) 583-5258
Electronic Mail: friedman@blackstone.com

The Partnership shall be responsible for notifying each Covered Person of the receipt of a notice, request, claim, demand or other communication under this Agreement relevant to such Covered Person at the address of such Covered Person then in the records of Blackstone Holdings (and each Covered Person shall notify the Partnership of any change in such address for notices, requests, claims, demands or other communications).

Section 3.6 Severability . If any provision of this Agreement is finally held to be invalid, illegal or unenforceable, (a) the remaining terms and provisions hereof shall be unimpaired and (b) the invalid or unenforceable term or provision shall be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

Section 3.7 Specific Performance . Each party hereto acknowledges that the remedies at law of the other parties for a breach or threatened breach of this Agreement would be inadequate and, in recognition of this fact, any party to this Agreement, without posting any bond, and in addition to all other remedies that may be available, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy that may be then available.

Section 3.8 Assignment; Successors . This Agreement shall be binding upon and inure to the benefit of the respective legatees, legal representatives, successors and assigns of the Covered Persons; provided, however, that a Covered Person may not assign this Agreement or any of his rights or obligations hereunder, and any purported assignment in breach hereof by a Covered Person shall be void; and provided further that no assignment of this Agreement by the Partnership or to a successor of the Partnership (by operation of law or otherwise) shall be valid unless such assignment is made to a person which succeeds to the business of such person substantially as an entirety.

Section 3.9 No Third-Party Rights . Other than as expressly provided herein, nothing in this Agreement will be construed to give any person other than the parties to this Agreement any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the parties to this Agreement and their successors and assigns.

Section 3.10 Section Headings . The headings of sections in this Agreement are provided for convenience only and will not affect its construction or interpretation.

Section 3.11 Execution in Counterparts . This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have duly executed or caused to be duly executed this Agreement as of the dates indicated.

THE BLACKSTONE GROUP L.P.

By: Blackstone Group Management L.L.C.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

AIG BG Holdings Inc.

By: /s/ Win J. Neuger
Name: Win J. Neuger
Title: President

COVERED PERSONS

All Covered Persons listed on Schedule I attached hereto, pursuant to the powers of executed in favor of, and granted and delivered to Stephen A. Schwarzman pursuant to Section 8.9 of that certain Contribution and Sale Agreement, dated as of the date hereof, by and among the Partnership, Blackstone Holdings I/II GP Inc., Blackstone Holdings III GP L.L.C., Blackstone Holdings IV GP L.P., Blackstone Holdings V GP L.P., Blackstone Holdings I/II Limited Partner Inc., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings V L.P., and the other parties thereto.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Attorney-in-fact

Exhibit 10.9

THE BLACKSTONE GROUP L.P.
2007 EQUITY INCENTIVE PLAN

1. Purpose of the Plan

The Blackstone Group L.P. 2007 Equity Incentive Plan (the " Plan ") is designed to promote the long term financial interests and growth of The Blackstone Group L.P., a Delaware limited partnership (the " Partnership "), and its Affiliates by (i) attracting and retaining senior managing directors, employees and consultants of the Partnership or any of its Affiliates, including directors of the Partnership's general partner, Blackstone Group Management L.L.C. (the " General Partner "), and (ii) aligning the interests of such individuals with those of the Partnership and its Affiliates by providing them with equity-based awards based on the common units of limited partner interest in the Partnership (the " Common Units ") or the partnership units (the " Blackstone Holdings Partnership Units ") of Blackstone Holdings (as defined below).

2. Definitions

The following capitalized terms used in the Plan have the respective meanings set forth in this Section:

(a) Act : The Securities Exchange Act of 1934, as amended, or any successor thereto.

(b) Administrator : The Board, or the committee or subcommittee thereof to whom authority to administer the Plan has been delegated pursuant to Section 4 hereof.

(c) Affiliate : With respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with the Person in question. As used herein, the term " 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 ownership of voting securities, by contract or otherwise.

(d) Award : Individually or collectively, any Option, Unit Appreciation Right, or Other Unit-Based Awards based on or relating to the Common Units or Blackstone Holdings Partnership Units issuable under the Plan.

(e) Beneficial Owner : A "beneficial owner", as such term is defined in Rule 13d-3 under the Act (or any successor rule thereto).

(f) Blackstone Holdings : The collective reference to all of the Blackstone Holdings Partnerships.

(g) Blackstone Holdings Partnerships : Each of Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., and Blackstone Holdings V L.P.

(h) Blackstone Holdings Partnership Units : Each "Blackstone Holdings Partnership Unit" shall consist of one partnership unit in each of the five Blackstone Holdings Partnerships.

(i) Board : The board of directors of the General Partner.

(j) Change in Control : The occurrence of any Person, other than a Person approved by the General Partner, becoming the general partner of the Partnership.

(k) Code : The Internal Revenue Code of 1986, as amended, or any successor thereto.

(l) Common Units : The common units representing limited partner interests of the Partnership.

(m) Disability : The term "Disability" shall have the meaning as provided under Section 409A(a)(2)(C)(i) of the Code. Notwithstanding the foregoing or any other provision of this Plan, the definition of Disability (or any analogous term) in an Award agreement shall supersede the foregoing definition; provided, however, that if no definition of Disability or any analogous term is set forth in such agreement, the foregoing definition shall apply.

(n) Effective Date : The date on which the Board adopts the Plan, or such later date as is designated by the Board.

(o) Employment : The term "Employment" as used herein shall be deemed to refer to (i) a Participant's employment if the Participant is an employee of the Partnership or any of its Affiliates, (ii) a Participant's services as a consultant or partner, if the Participant is consultant to, or partner of, the Partnership or of any of its Affiliates, and (iii) a Participant's services as an non-employee director, if the Participant is a non-employee member of the Board.

(p) Fair Market Value : Of a Unit on any given date means (i) the closing sale price per Unit on the New York Stock Exchange on that date (or, if no closing sale price is reported, the last reported sale price), (ii) if the Units are not listed for trading on the New York Stock Exchange, the closing sale price (or, if no closing sale price is reported, the last reported sale price) as reported on that date in composite transactions for the principal national securities exchange registered pursuant to Section 6(g) of the Act on which the Units are listed, (iii) if the Units are not so listed on a national securities exchange, the last quoted bid price for the Units on that date in the over-the-counter market as reported by Pink Sheets LLC or a similar organization, or (iv) if the Units are not so quoted by Pink Sheets LLC or a similar organization, the average of the mid-point of the last bid and ask prices for the Units on that date from a nationally recognized independent investment banking firm selected b the General Partner for this purpose.

(q) General Partner : Blackstone Group Management L.L.C., a Delaware limited liability company.

(r) Option : An option to purchase Units granted pursuant to Section 6 of the Plan.

(s) Option Price : The purchase price per Unit of an Option, as determined pursuant to Section 6(a) of the Plan.

(t) Other Unit-Based Awards : Awards granted pursuant to Section 8 of the Plan.

(u) Partnership : The Blackstone Group L.P., a Delaware limited partnership.

(v) Participant : A senior managing director, other employee, consultant, director or other service provider of the Partnership or of any of its Affiliates, including any director of the General Partner, who is selected by the Administrator to participate in the Plan.

(w) Performance-Based Awards : Certain Other Unit-Based Awards granted pursuant to Section 8(b) of the Plan.

(x) Person : A "person", as such term is used for purposes of Section 13(d) or 14(d) of the Act (or any successor section thereto).

(y) Plan : The Blackstone Group L.P. 2007 Equity Incentive Plan.

(z) Units : Common Units or Blackstone Holdings Partnership Units which are issued or may be issued under the Plan.

(aa) Unit Appreciation Right : A unit appreciation right granted pursuant to Section 7 of the Plan.

3. Units Subject to the Plan

Subject to Section 9 hereof, the total number of Units which may be issued under the Plan shall be 163,000,000, of which all or any portion may be issued as Common Units or Blackstone Holdings Partnership Units. Notwithstanding the foregoing, the total number of Units subject to the Plan shall be increased on the first day of each fiscal year beginning in calendar year 2008 by a number of Units equal to the positive difference, if any, of (x) 15% of the aggregate number of Common Units and Blackstone Holdings Partnership Units outstanding on the last day of the immediately preceding fiscal year (excluding Blackstone Holdings Partnership Units held by the Partnership or its wholly-owned subsidiaries) minus (y) the aggregate number of Common Units and Blackstone Holdings Partnership Units covered by the Plan, unless the Administrator should decide to increase the number of Common Units and Blackstone Holdings Partnership Units covered by the Plan by a lesser amount on any such date. The issuance of Units or the payment of cash upon the exercise of an Award or in consideration of the cancellation or termination of an Award shall reduce the total number of Units available under the Plan, as applicable. Units which are subject to Awards which terminate or lapse without the payment of consideration may be granted again under the Plan.

4. Administration

The Plan shall be administered by the Board, which may delegate its duties and powers in whole or in part to any committee or subcommittee thereof (the " Administrator "). Additionally, the Administrator may delegate the authority to grant Awards under the Plan to any employee or group of employees of the Partnership or of any Affiliate of the Partnership; provided that such delegation and grants are consistent with applicable law and guidelines established by the Board from time to time. Awards may, in the discretion of the Administrator, be made under the Plan in assumption of, or in substitution for, outstanding awards previously granted by the Partnership, any Affiliate of the Partnership or any entity acquired by the Partnership or with which the Partnership combines. The number of Units underlying such substitute awards shall be counted against the aggregate number of Units available for Awards under the Plan. The Administrator is authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make any other determinations that it deems necessary or

desirable for the administration of the Plan. The Administrator may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Administrator deems necessary or desirable. Any decision of the Administrator in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Participants and their beneficiaries or successors). The Administrator shall have the full power and authority to establish the terms and conditions of any Award consistent with the provisions of the Plan and to waive any such terms and conditions at any time (including, without limitation, accelerating or waiving any vesting conditions). The Administrator shall require payment of any amount it may determine to be necessary to withhold for federal, state, local or other taxes as a result of the exercise, grant or vesting of an Award. Unless the Administrator specifies otherwise, the Participant may elect to pay a portion or all of such withholding taxes by (a) delivery in Units or (b) having Units withheld by the Partnership from any Units that would have otherwise been received by the Participant.

5. Limitations

No Award may be granted under the Plan after the tenth anniversary of the Effective Date, but Awards theretofore granted may extend beyond that date.

6. Terms and Conditions of Options

Options granted under the Plan shall be non-qualified options for federal income tax purposes, and shall be subject to the foregoing and the following terms and conditions and to such other terms and conditions, not inconsistent therewith, as the Administrator shall determine:

(a) Option Price . The Option Price per Unit shall be determined by the Administrator.

(b) Exercisability . Options granted under the Plan shall be exercisable at such time and upon such terms and conditions as may be determined by the Administrator, but in no event shall an Option be exercisable more than ten years after the date it is granted.

(c) Exercise of Options . Except as otherwise provided in the Plan or in an Award agreement, an Option may be exercised for all, or from time to time any part, of the Units for which it is then exercisable. For purposes of Section 6 of the Plan, the exercise date of an Option shall be the later of the date a notice of exercise is received by the Partnership and, if applicable, the date payment is received by the Partnership pursuant to clauses (i), (ii), (iii) or (iv) in the following sentence. The purchase price for the Units as to which an Option is exercised shall be paid to the Partnership, and in the manner designated by the Administrator, pursuant to one or more of the following methods: (i) in cash or its equivalent (e.g., by personal check), (ii) in Units having a Fair Market Value equal to the aggregate Option Price for the Units being purchased and satisfying such other requirements as may be imposed by the Administrator; provided that such Units have been held by the Participant for no less than six months (or such other period as established from time to time by the Administrator in order to avoid adverse accounting treatment applying generally accepted accounting principles), (iii) partly in cash and partly in such Units, or (iv) if there is a public market for the Units at such time, through the delivery of irrevocable instructions to a broker to sell Units obtained upon the exercise of the Option and to deliver promptly to the Partnership an amount out of the proceeds of such Sale equal to the

aggregate Option Price for the Units being purchased, or (v) to the extent permitted by the Administrator, through net settlement in Units. No Participant shall have any rights to distributions or other rights of a holder with respect to Units subject to an Option until the Participant has given written notice of exercise of the Option, paid in full for such Units and, if applicable, has satisfied any other conditions imposed by the Administrator pursuant to the Plan.

(d) Attestation . Wherever in this Plan or any agreement evidencing an Award a Participant is permitted to pay the exercise price of an Option or taxes relating to the exercise of an Option by delivering Units, the Participant may, subject to procedures satisfactory to the Administrator, satisfy such delivery requirement by presenting proof of beneficial ownership of such Units, in which case the Partnership shall treat the Option as exercised without further payment and/or shall withhold such number of Units from the Units acquired by the exercise of the Option, as appropriate.

7. Terms and Conditions of Unit Appreciation Rights

(a) Grants . The Administrator may grant (i) a Unit Appreciation Right independent of an Option or (ii) a Unit Appreciation Right in connection with an Option, or a portion thereof. A Unit Appreciation Right granted pursuant to clause (ii) of the preceding sentence (A) may be granted at the time the related Option is granted or at any time prior to the exercise or cancellation of the related Option, (B) shall cover the same number of Units covered by an Option (or such lesser number of Units as the Administrator may determine) and (C) shall be subject to the same terms and conditions as such Option except for such additional limitations as are contemplated by this Section 7 (or such additional limitations as may be included in an Award agreement).

(b) Terms . The exercise price per Unit of a Unit Appreciation Right shall be an amount determined by the Administrator; provided , however , that in the case of a Unit Appreciation Right granted in conjunction with an Option, or a portion thereof, the exercise price may not be less than the Option Price of the related Option. Each Unit Appreciation Right granted independent of an Option shall entitle a Participant upon exercise to an amount equal to (i) the excess of (A) the Fair Market Value on the exercise date of one Unit over (B) the exercise price per Unit, times (ii) the number of Units covered by the Unit Appreciation Right. Each Unit Appreciation Right granted in conjunction with an Option, or a portion thereof, shall entitle a Participant to surrender to the Partnership the unexercised Option, or any portion thereof, and to receive from the Partnership in exchange therefore an amount equal to (i) the excess of (A) the Fair Market Value on the exercise date of one Unit over (B) the Option Price per Unit, times (ii) the number of Units covered by the Option, or portion thereof, which is surrendered. Payment shall be made in Units or in cash, or partly in Units and partly in cash (any such Units valued at such Fair Market Value), all as shall be determined by the Administrator. Unit Appreciation Rights may be exercised from time to time upon actual receipt by the Partnership of written notice of exercise stating the number of Units with respect to which the Unit Appreciation Right is being exercised. The date a notice of exercise is received by the Partnership shall be the exercise date. The Administrator, in its sole discretion, may determine that no fractional Units will be issued in payment for Unit Appreciation Rights, but instead cash will be paid for a fraction or the number of Units will be rounded downward to the next whole Unit.

(c) Limitations . The Administrator may impose, in its discretion, such conditions upon the exercisability of Unit Appreciation Rights as it may deem fit, but in no event shall a Unit Appreciation Right be exercisable more than ten years after the date it is granted.

8. Other Unit-Based Awards

The Administrator, in its sole discretion, may grant or sell Awards of Units, restricted Units, restricted Common Units, deferred restricted Common Units, phantom restricted Common Units or other Unit-Based awards based in whole or in part on the Fair Market Value of the Common Units or Blackstone Holdings Partnership Units ("Other Unit-Based Awards"). Such Other Unit-Based Awards shall be in such form, and dependent on such conditions, as the Administrator shall determine, including, without limitation, the right to receive, or vest with respect to, one or more Units (or the equivalent cash value of such Units) upon the completion of a specified period of service, the occurrence of an event and/or the attainment of performance objectives. Other Unit-Based Awards may be granted alone or in addition to any other Awards granted under the Plan. Subject to the provisions of the Plan, the Administrator shall determine to whom and when Other Unit-Based Awards will be made, the number of Units to be awarded under (or otherwise related to) such Other Unit-Based Awards; whether such Other Unit-Based Awards shall be settled in cash, Units or a combination of cash and Units; and all other terms and conditions of such Awards (including, without limitation, the vesting provisions thereof and provisions ensuring that all Units so awarded and issued shall be fully paid and non-assessable).

9. Adjustments Upon Certain Events

Notwithstanding any other provisions in the Plan to the contrary, the following provisions shall apply to all Awards granted under the Plan:

(a) Generally . In the event of any change in the outstanding Units after the Effective Date by reason of any Unit distribution or split, reorganization, recapitalization, merger, consolidation, spin-off, combination, combination or transaction or exchange of Units or other corporate exchange, or any distribution to holders of Units other than regular cash distributions or any transaction similar to the foregoing, the Administrator in its sole discretion and without liability to any person shall make such substitution or adjustment, if any, as it deems to be equitable (subject to Section 17), as to (i) the number or kind of Units or other securities issued or reserved for issuance pursuant to the Plan or pursuant to outstanding Awards, (ii) the maximum number of Units for which Options or Unit Appreciation Rights may be granted during a calendar year to any Participant (iii) the maximum amount of a Performance-Based Award that may be granted during a calendar year to any Participant, (iv) the Option Price or exercise price of any unit appreciation right and/or (v) any other affected terms of such Awards.

(b) Change in Control . In the event of a Change in Control after the Effective Date, (i) if determined by the Administrator in the applicable Award agreement or otherwise, any outstanding Awards then held by Participants which are unexercisable or otherwise unvested or subject to lapse restrictions shall automatically be deemed exercisable or otherwise vested or no longer subject to lapse restrictions, as the case may be, as of immediately prior to such Change of Control and (ii) the Administrator may (subject to Section 17), but shall not be obligated to, (A) accelerate, vest or cause the restrictions to lapse with respect to all or any portion of an Award, (B) cancel such Awards for fair value (as determined in the sole discretion of the Administrator) which, in the case of Options and Unit Appreciation Rights, may equal the excess, if any, of

value of the consideration to be paid in the Change in Control transaction to holders of the same number of Units subject to such Options or Unit Appreciation Rights (or, if no consideration is paid in any such transaction, the Fair Market Value of the Units subject to such Options or Unit Appreciation Rights) over the aggregate exercise price of such Options or Unit Appreciation Rights, (C) provide for the issuance of substitute Awards that will substantially preserve the otherwise applicable terms of any affected Awards previously granted hereunder as determined by the Administrator in its sole discretion or (D) provide that for a period of at least 15 days prior to the Change in Control, such Options shall be exercisable as to all shares subject thereto and that upon the occurrence of the Change in Control, such Options shall terminate and be of no further force and effect.

10. No Right to Employment or Awards

The granting of an Award under the Plan shall impose no obligation on the Partnership or any Affiliate to continue the Employment of a Participant and shall not lessen or affect the Partnership's or Affiliate's right to terminate the Employment of such Participant. No Participant or other Person shall have any claim to be granted any Award, and there is no obligation for uniformity of treatment of Participants, or holders or beneficiaries of Awards. The terms and conditions of Awards and the Administrator's determinations and interpretations with respect thereto need not be the same with respect to each Participant (whether or not such Participants are similarly situated).

11. Successors and Assigns

The Plan shall be binding on all successors and assigns of the Partnership and a Participant, including without limitation, the estate of such Participant and the executor, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

12. Nontransferability of Awards

Unless otherwise determined or approved by the Administrator, an Award shall not be transferable or assignable by the Participant otherwise than by will or by the laws of descent and distribution. An Award exercisable after the death of a Participant may be exercised by the legatees, personal representatives or distributees of the Participant.

13. Amendments or Termination

The Board may amend, alter or discontinue the Plan, but no amendment, alteration or discontinuation shall be made, without the consent of a Participant, if such action would diminish any of the rights of the Participant under any Award theretofore granted to such Participant under the Plan; provided , however , that the Administrator may amend the Plan in such manner as it deems necessary to permit the granting of Awards meeting the requirements of the Code or other applicable laws (including, without limitation, to avoid adverse tax consequences to the Partnership or to Participants).

Notwithstanding any provision of the Plan to the contrary, in the event that the Administrator determines that any amounts payable hereunder will be taxable to a Participant under Section 409A of the Code and related Department of Treasury guidance prior to payment to such Participant of such amount, the Partnership may (a) adopt such amendments to the Plan

and Awards and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Administrator determines necessary or appropriate to preserve the intended tax treatment of the benefits provided by the Plan and Awards hereunder and/or (b) take such other actions as the Administrator determines necessary or appropriate to avoid the imposition of an additional tax under Section 409A of the Code.

14. International Participants

With respect to Participants who reside or work outside the United States of America, the Administrator may, in its sole discretion, amend the terms of the Plan or Awards with respect to such Participants in order to conform such terms with the requirements of local law or to obtain more favorable tax or other treatment for a Participant, the Partnership or an Affiliate.

15. Choice of Law

The Plan shall be governed by and construed in accordance with the law of the State of New York.

16. Effectiveness of the Plan

The Plan shall be effective as of the Effective Date.

17. Section 409A

To the extent applicable, this Plan and Awards issued hereunder shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretative guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding other provisions of the Plan or any Award agreements thereunder, no Award shall be granted, deferred, accelerated, extended, paid out or modified under this Plan in a manner that would result in the imposition of an additional tax under Section 409A of the Code upon a Participant. In the event that it is reasonably determined by the Administrator that, as a result of Section 409A of the Code, payments in respect of any Award under the Plan may not be made at the time contemplated by the terms of the Plan or the relevant Award agreement, as the case may be, without causing the Participant holding such Award to be subject to taxation under Section 409A of the Code, the Partnership may take whatever actions the Administrator determines necessary or appropriate to comply with, or exempt the Plan and Award agreement from the requirements of Section 409A of the Code and related Department of Treasury guidance and other interpretive materials as may be issued after the Effective Date, which action may include, but is not limited to, delaying payment to a Participant who is a "specified employee" within the meaning of Section 409A of the Code until the first day following the six-month period beginning on the date of the Participant's termination of Employment. The Partnership shall use commercially reasonable efforts to implement the provisions of this Section 17 in good faith; provided that neither the Partnership, the Administrator nor any employee, director or representative of the Partnership or of any of its Affiliates shall have any liability to Participants with respect to this Section 17.

Exhibit 10.10

FOUNDING MEMBER AGREEMENT
Stephen A. Schwarzman

This Founding Member Agreement, dated as of June 18, 2007 (as amended, supplemented, waived or otherwise modified from time to time in accordance with its terms, the " Founding Member Agreement "), by and among Blackstone Holdings I L.P. (collectively with its affiliates, " Blackstone ") and Stephen A. Schwarzman (" Founding Member ").

1. Title; Reporting; Key Responsibilities .

(a) Founding Member will be engaged as a Founding Member of Blackstone. For as long as he is a Founding Member, the business of Blackstone will be Founding Member's principal business pursuit and Founding Member agrees to devote such time and attention to the business of Blackstone in a diligent manner as may be reasonably requested by the firm.

(b) Notwithstanding Section 1(a) above, Founding Member shall be permitted to engage in non-profit activities (including setting up one or more foundations).

(c) During the period of Founding Member's continued active service with Blackstone, Founding Member will remain the Chairman and Chief Executive Officer of Blackstone.

2. Distributions; Governing Agreements; Non-Competition .

(a) Founding Member will be paid such distributions and benefits as may be determined by Blackstone from time to time.

(b) Founding Member acknowledges and agrees that Founding Member is subject to all applicable provisions of the Blackstone compliance policies, including the Compliance Policies and Procedures Manual, Investment Adviser Compliance Policies and Procedures and its related supplements, and USA Patriot Act Anti-Money Laundering Policies, as well as Blackstone's Code of Conduct and the Employee Handbook and Business Continuity Plan (or in the case of UK-based Founding Members, the U.K. AML Manual and U.K. Compliance Manual) (collectively, the " Blackstone Compliance Policies ").

(c) Founding Member acknowledges that he has executed the Founding Member Non-Competition and Non-Solicitation Agreement, attached hereto as Schedule A (the " Non-Competition Agreement ") and agrees that the terms thereof are incorporated herein by reference.

(d) Founding Member agrees to comply with the confidentiality restrictions set forth in the Non-Competition Agreement.

3. Retirement .

(a) Founding Member agrees to provide Blackstone with written notice of Founding Member's intention to terminate his service with Blackstone at least six months prior to the date of such termination (the " Notice Period "). Written notice pursuant to this Section 3(a) shall be provided to either the other Founding Member or, if there is no other Founding Member, to either the Chief Operating Officer or the Chief Legal Officer of Blackstone. During the Notice Period, Founding Member shall perform his full duties as Founding Member and in the other positions he holds at Blackstone. For the period commencing on Founding Member's retirement date and continuing through the date of the Founding Member's death, Founding Member will have the title of Chairman Emeritus and Co-Founder. Founding Member's " Retirement Period " shall commence on the date of his retirement and shall continue until the earlier of the tenth anniversary of such retirement date or the date of Founding Member's death.

(b) During the Retirement Period Founding Member shall be provided with the following retirement benefits:

(i) From the date of Founding Member's retirement until the third anniversary thereof, Founding Member shall retain his current office and shall be provided with a car and driver. Commencing on the third anniversary of Founding Member's retirement date and continuing until the end of the Retirement Period, Blackstone will provide Founding Member with an appropriate office of its choosing if Founding Member shall so request. Founding Member shall be provided an assistant during the Retirement Period who shall work wherever Founding Member chooses to work. However, Founding Member will relinquish his rights to an office at Blackstone if he chooses to work at another office full-time. Founding Member shall continue to have reasonable use of and access to Blackstone word processing, document production and research facilities during the Retirement Period for assistance on his speeches, books and other projects, although Blackstone shall have no obligations to add incremental staff, resources or capabilities to accommodate such requests for assistance.

(ii) Founding Member shall continue to receive health benefits until his death, subject to his continuing payment of the related health insurance premiums consistent with current policies, and on terms no less favorable than with respect to any other Founding Member of Blackstone or, if there is no other Founding Member, then on terms that are no less favorable than those provided to other senior executives of Blackstone.

(iii) Except as expressly provided under this Founding Member Agreement, Founding Member acknowledges and agrees that he shall not be entitled to any other retirement (including trailers) or disability payments following the date of his retirement.

(c) Before and during the Retirement Period, Founding Member and/or the foundations that he establishes shall continue to be entitled to invest in funds of hedge funds sponsored by Blackstone Alternative Asset Management L.P. (" BAAM ") (or, subject to the limitations set forth in the last sentence of this paragraph, other current or new Blackstone-affiliated funds) on substantially the same favorable basis as he has in the past. With respect to BAAM, Founding Member shall not be required to pay fees associated with such investments on his capital and/or capital he donated to such foundations. However, if Founding Member desires to increase his or his foundations' commitments to BAAM, Blackstone shall not be obligated to accept such increased capital if the net effect (in Blackstone's fair and reasonable determination) would be to crowd out fee-paying third party investors or the firm itself. In that connection, Founding Member acknowledges that Blackstone has advised him that the latter condition exists as of the date of this Founding Member Agreement, which would mean that if any increase in Founding Member's or his foundations' commitments to BAAM were made at the present time, such increased commitments would be subject to the same fee-paying obligations as third party investors. Founding Member shall also have the same access to other Blackstone funds during the Retirement Period on a basis generally consistent with that of other partners. If any of such funds have provisions which limit the amount of Blackstone's available co-investment or the amount of investment not subject to fees, Founding Member's investment in such funds shall be treated in similar manner to that of other internal partners. Founding Member understands that he shall not be entitled to make any new side-by-side investments (although he may retain interests in side-by-side investment in Blackstone's carry funds made prior to retirement) after his retirement, including during the Retirement Period.

(d) Until the expiration of all transfer restrictions applicable to any limited partner interests or units Founding Member may hold of Blackstone Holdings (as defined in the Non-Competition Agreement) or The Blackstone Group L.P., respectively (collectively the " Units "), Founding Member

agrees (on behalf of himself and any and all estate planning vehicles, partnerships or other legal entities controlled by or affiliated with Founding Member (" Affiliated Vehicles ")) that all Units held by Founding Member and all such Affiliated Vehicles will only be held in an account at Blackstone's equity plan administrator or otherwise administered by such administrator.

4. Successors and Assigns . This Founding Member Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective predecessors, successors, assigns, heirs, executors, administrators and personal representatives, and each of them, whether so expressed or not, and to the extent provided herein, the affiliates of the parties and Blackstone. This Founding Member Agreement is not assignable by Founding Member without the prior written consent of Blackstone, and any attempted assignment of this Founding Member Agreement, without such prior written consent, shall be void.

5. Entire Agreement . This Founding Member Agreement (including the Schedule A attached hereto, which is incorporated herein by reference and made a part hereof), embodies the complete agreement and understanding among the parties with respect to the subject matter hereof and thereof and supersedes and terminates any prior understandings, agreements or representations, written or oral, which may have related to the subject matter hereof or thereof in any way, except for any (i) governing agreements of the general partners or managing members (collectively, " General Partners ") of Blackstone sponsored investment funds; and (ii) any guarantees executed by Founding Member prior to the date hereof for the benefit of any limited partners or General Partners of any Blackstone sponsored investment fund in respect of any "clawback" obligation to such Blackstone sponsored investment fund.

6. Headings . The section headings in this Founding Member Agreement are for convenience of reference only and shall in no event affect the meaning or interpretation of this Founding Member Agreement.

7. Modification or Waiver in Writing . This Founding Member Agreement may not be modified or amended except by a writing signed by each of the parties hereto. No waiver of this Founding Member Agreement or of any promises, obligations or conditions contained herein shall be valid unless in writing and signed by the party against whom such waiver is to be enforced. No delay on the part of any person in exercising any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any person of any such right, remedy or power, nor any single or partial exercise of any such right, remedy or power, preclude any further exercise thereof or the exercise of any other right, remedy or power.

8. Governing Law . This Founding Member Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed entirely within such State.

9. Counterparts . This Founding Member Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

10. Section 409A . In the event that it is reasonably determined by Blackstone that, as a result of the deferred compensation tax rules under Section 409A of the Internal Revenue Code of 1986, as amended (and any related regulations or other pronouncements thereunder) (the " Deferred Compensation Tax Rules "), any of the payments and benefits that Founding Member is entitled to under the terms of this Founding Member Agreement or otherwise may not be made at the time contemplated by the terms hereof or thereof, as the case may be, without causing Founding Member to be subject to tax under the Deferred Compensation Tax Rules, Blackstone shall, in lieu of providing such payment or benefit when otherwise due under this Agreement, instead provide such payment or benefit on the first day on which

such provision would not result in Founding Member incurring any tax liability under the Deferred Compensation Tax Rules; which day, if Founding Member is a "specified employee" within the meaning of the Deferred Compensation Tax Rules, shall be the first day following the six-month period beginning on the date of Founding Member's separation from service. In addition, in the event that any payments or benefits that Blackstone would otherwise be required to provide under this Founding Member Agreement cannot be provided in the manner contemplated herein without subjecting Founding Member to tax under the Deferred Compensation Tax Rules, Blackstone shall provide such intended payments or benefits to Founding Member in an alternative manner that conveys an equivalent economic benefit to Founding Member as soon as practicable as may otherwise be permitted under the Deferred Compensation Tax Rules. For purposes of the Deferred Compensation Tax Rules, each payment made under this Agreement shall be designated as a "separate payment" within the meaning of the Deferred Compensation Tax Rules.

11. Blackstone Partnership Agreement . This Founding Member Agreement shall be treated as part of the Blackstone Partnership Agreement for purposes of Section 761(c) of the Code and Sections 1.704-1(b)(2)(ii)(h) and 1.761-1(c) of the Treasury Regulations.

* * *

WHEREOF, the parties hereto have duly executed this Founding Member Agreement as of the date first above written.

BLACKSTONE HOLDINGS I L.P.

By: Blackstone Holdings I/II GP Inc.,
its general partner

By: /s/ Peter G. Peterson
Name: Peter G. Peterson
Title: Authorized Officer

FOUNDING MEMBER

/s/ Stephen A. Schwarzman
Stephen A. Schwarzman

Schedule A

Founding Member Non-Competition and Non-Solicitation Agreement

This Founding Member Non-Competition and Non-Solicitation Agreement, dated as of June 18, 2007 (the " Non-Competition Agreement "), between Blackstone Holdings I L.P., a Delaware limited partnership, Blackstone Holdings II L.P., a Delaware limited partnership, Blackstone Holdings III L.P., a Delaware limited partnership, Blackstone Holdings IV L.P., a société en commandite formed under the laws of the Province of Québec, and Blackstone Holdings V L.P., a société en commandite formed under the laws of the Province of Québec (collectively, " Blackstone Holdings " and, together with its subsidiaries and affiliated entities, " Blackstone "), and Stephen A. Schwarzman (" Founding Member ").

WHEREAS,

(a) The Blackstone Group L.P., a Delaware limited partnership (the " Public Issuer ") is effecting an initial public offering (the " IPO ") of its common units representing limited partner interests pursuant to a Registration Statement on Form S-1 (Registration No. 333-141504) filed with the U.S. Securities and Exchange Commission (the " Registration Statement ");

(b) As a condition precedent to the IPO, Founding Member and the other existing owners of the entities comprising Blackstone Group (as such term is defined in the Registration Statement) will effect the sales and contributions constituting the Reorganization (as such term is defined in the Registration Statement and, together with the IPO, the " Transaction ");

(c) Founding Member acknowledges and agrees that the limited partner interests in the Blackstone Holdings partnerships and other consideration that Founding Member will receive in connection with and as a result of the Transaction will materially benefit Founding Member;

(d) As part of the Transaction, the Public Issuer (and accordingly the public investors in the IPO), will acquire an equity interest in Blackstone Holdings;

(e) Founding Member acknowledges and agrees that it is essential to the success of the Transaction, and Blackstone in the future, that the limited partner interests in Blackstone Holdings that are being issued in connection with the Transaction be protected by non-competition and non-solicitation agreements that will be entered into by Founding Member and other existing owners of Blackstone Group;

(f) Founding Member acknowledges and agrees that Blackstone would suffer significant and irreparable harm from Founding Member competing with Blackstone for a period of time after the IPO or after the termination of Founding Member's service with Blackstone;

(g) Founding Member acknowledges and agrees that in connection with the Transaction, and in the course of Founding Member's service with Blackstone, Founding Member has been and will be provided with Confidential Information (as hereinafter defined) of Blackstone, and has been and will be provided with the opportunity to develop relationships with investors and clients, prospective investors and clients, employees and other agents of Blackstone, and Founding Member further acknowledges that such Confidential Information and relationships are extremely valuable assets in which Blackstone has invested and will continue to invest substantial time, effort and expense and which represent a significant component of the value of the Transaction; and

(h) It is a condition precedent to Founding Member participating in the Transaction that Founding Member agrees to be bound by the covenants contained herein (collectively, the " Restrictive Covenants ").

NOW, THEREFORE, for good and valuable consideration, Founding Member and Blackstone hereby covenant and agree to the following restrictions which Founding Member acknowledges and agrees are reasonable and necessary to protect the legitimate business interests of Blackstone and for the other owners of Blackstone to have and enjoy the full benefit of the business interests acquired in connection with the Transaction and which will not unnecessarily or unreasonably restrict Founding Member's professional opportunities should his or her service with Blackstone terminate.

I. Non-Competition and Non-Solicitation Covenants

A. Non-Competition . Founding Member shall not, directly or indirectly, during Founding Member's service with Blackstone, and for a period ending on the later of four years following the date of the IPO, or two years following the termination by of Founding Member's service pursuant to Section 3 of the Founding Member Agreement, associate (including but not limited to association as a sole proprietor, owner, employer, principal, investor, joint venturer, shareholder, associate, employee, member, consultant, contractor or otherwise) with any Competitive Business or any of the affiliates, related entities, successors or assigns of any Competitive Business; *provided* , however, that with respect to the equity of any Competitive Business which is or becomes publicly traded, Founding Member's ownership as a passive investor of less than 3% of the outstanding publicly traded stock of a Competitive Business shall not be deemed a violation of this Non-Competition Agreement. For purposes of this Non-Competition Agreement, " Competitive Business " means any business, in any geographical or market area where Blackstone conducts business or provides products or services, that competes with the business of Blackstone, including any business in which Blackstone engaged during the term of Founding Member's service and any business that Blackstone was actively considering conducting at the time of Founding Member's termination of service and of which Founding Member has, or reasonably should have, knowledge.

B. Non-Solicitation of Clients/Investors . Founding Member shall not, directly or indirectly, during Founding Member's service with Blackstone, and for a period ending on the later of four years following the date of the IPO, or two years following the termination of Founding Member's service pursuant to Section 3 of the Founding Member Agreement, (a) solicit, or assist any other individual, person, firm or other entity in soliciting, the business of any Client or Prospective Client for or on behalf of an existing or prospective Competitive Business; (b) perform, provide or assist any other individual, person, firm or other entity in performing or providing, services similar to those provided by Blackstone, for any Client or Prospective Client; or (c) impede or otherwise interfere with or damage (or attempt to impede or otherwise interfere with or damage) any business relationship and/or agreement between Blackstone and (i) a Client or Prospective Client or (ii) any supplier.

1. For purposes of this Non-Competition Agreement, "Client" means any person, firm, corporation or other organization whatsoever for whom Blackstone provided services (including without limitation any investor in any Blackstone fund, any client of any Blackstone business group or any other person for whom Blackstone renders any service) during the three-year period immediately preceding Founding Member's termination of service. "Prospective Client" shall mean any person, firm, corporation or other organization whatsoever with whom Blackstone has had any negotiations or discussions regarding the possible engagement of business or the performance of business services within the eighteen months preceding Founding Member's termination of service with Blackstone.

2. For purposes of this Section I.B., “solicit” means to have any direct or indirect communication of any kind whatsoever, regardless of by whom initiated, inviting, advising, encouraging or requesting any individual, person, firm or other entity, in any manner, to take or refrain from taking any action.

C. Non-Solicitation of Employees/Consultants . Founding Member shall not, directly or indirectly, during Founding Member’s service with Blackstone, and for a period ending on the later of four years following the date of the IPO, or two years following the termination of Founding Member’s service pursuant to Section 3 of the Founding Member Agreement (such period, the “ Restricted Period ”), solicit, employ, engage or retain, or assist any other individual, person, firm or other entity in soliciting, employing, engaging or retaining, (i) any employee or other agent of Blackstone, including without limitation any former employee or other agent of Blackstone who ceased working for Blackstone within the twelve-month period immediately preceding or following the date on which Founding Member’s service with Blackstone terminated, or (ii) any consultant or senior adviser that is under contract with Blackstone. For purposes of this Section I.C., “solicit” means to have any direct or indirect communication of any kind whatsoever, regardless of by whom initiated, inviting, advising, encouraging or requesting any person or entity, in any manner, to terminate their employment or business relationship with Blackstone, or recommending or suggesting (including by identifying a person or entity to a third party) that a third party take any of the foregoing actions. Notwithstanding the foregoing, Founding Member may solicit and employ the driver and any of the administrative assistants who are working for him on the termination of his service with Blackstone.

II. Confidentiality

A. Founding Member expressly agrees, at all times, during and subsequent to Founding Member’s service with Blackstone, to maintain the confidentiality of, and not to disclose to or discuss with, any person any Confidential Information (as hereinafter defined), except (i) to the extent reasonably necessary or appropriate to perform Founding Member’s duties and responsibilities as a Founding Member including without limitation furthering the interests of Blackstone and/or developing new business for Blackstone (*provided* that Confidential Information relating to (x) personnel matters related to any present or former employee, partner or member of Blackstone (including Founding Member himself), including compensation and investment arrangements, or (y) the financial structure, financial position or financial results of the Blackstone Entities, shall not be so used, (except in those rare instances where to do so is clearly required to further the specific interests of Blackstone), (ii) with the prior written consent of Blackstone, or (iii) as otherwise required by law, regulation or legal process or by any regulatory or self-regulatory organization having jurisdiction, and except that only the terms of the restrictions set forth in Section I hereof should be disclosed to Founding Member’s prospective future employers upon request in connection with Founding Member’s application for employment.

B. For purposes of this Non-Competition Agreement, “ Confidential Information ” means information concerning the business, affairs, operations, strategies, policies, procedures, organizational and personnel matters related to any present or former employee, partner or member of Blackstone (including Founding Member himself), including compensation and investment arrangements, terms of agreements, financial structure, financial position, financial results or other financial affairs, actual or proposed transactions or investments, investment results, existing or prospective clients or investors, computer programs or other confidential information related to the business of Blackstone or to its members, actual or prospective clients or investors (including funds managed by affiliates of Blackstone), their respective portfolio companies or other third parties. Such information may have been or may be provided in written or electronic form or orally. All of such information, from whatever source learned or obtained and regardless of Blackstone’s connection to the information, is referred to herein as “Confidential Information.” Confidential Information excludes information that has been made generally

available to the public (although it does include any confidential information received by Blackstone from any clients), but information that when viewed in isolation may be publicly known or can be accessed by a member of the public will still constitute Confidential Information for these purposes if such information has become proprietary to Blackstone through Blackstone's aggregation or interpretation of such information. Without limiting the foregoing, Confidential Information includes any information, whether public or not, which (1) represents, or is aggregated in such a way as to represent, or purport to represent, all or any portion of the investment results of, or any other information about the investment "track record" of, (a) Blackstone, (b) a business group of Blackstone, (c) one or more funds managed by Blackstone, or (d) any individual or group of individuals during their time at Blackstone, or (2) describes an individual's role in achieving or contributing to any such investment results.

III. Non-Disparagement

Founding Member agrees that, during and at any time after Founding Member's service with Blackstone, Founding Member will not, directly or indirectly, through any agent or affiliate, make any disparaging comments or criticisms (whether of a professional or personal nature) to any individual or other third party (including without limitation any present or former member, partner or employee of Blackstone) or entity regarding Blackstone (or the terms of any agreement or arrangement of any Blackstone entity) or any of their respective affiliates, members, partners or employees, or regarding Founding Member's relationship with Blackstone or the termination of such relationship which, in each case, are reasonably expected to result in material damage to the business or reputation of Blackstone or any of its affiliates, members, partners or employees.

IV. Remedies

A. Injunctive Relief . Founding Member acknowledges and agrees that Blackstone's remedy at law for any breach of the Restrictive Covenants would be inadequate and that for any breach of such covenants, Blackstone shall, in addition to other remedies as may be available to it at law or in equity, or as provided for in this Non-Competition Agreement, be entitled to an injunction, restraining order or other equitable relief, without the necessity of posting a bond, restraining Founding Member from committing or continuing to commit any violation of such covenants. Founding Member agrees that proof shall not be required that monetary damages for breach of the provisions of this Non-Competition Agreement would be difficult to calculate and that remedies at law would be inadequate.

B. Forfeiture . In the event of any material breach of this Non-Competition Agreement, the Founding Member Agreement or any limited liability company agreement, partnership agreement or other governing document of Blackstone to which Founding Member is a party and which was provided to Founding Member at the time of the execution of this Non-Competition Agreement or which is subsequently executed by Founding Member after the date hereof, (i) Founding Member shall no longer be entitled to receive payment of any amounts that would otherwise be payable to Founding Member following Founding Member's withdrawal as a Founding Member, Member or Partner, as the case may be, of Blackstone (including, without limitation, return of Founding Member's capital contributions), (ii) all of Founding Member's remaining Founding Member, Member, Partner or other interests (including carried interests) in Blackstone (whether vested or unvested and whether delivered or not yet delivered) shall immediately terminate and be null and void, and all of the securities of Blackstone Holdings or the Public Issuer (whether vested or unvested and whether delivered or not yet delivered) held by Founding Member or such Founding Member's personal planning vehicle(s) (other than those formed prior to the date hereof) shall be forfeited, (iii) no further such interests or securities will be awarded to Founding Member, and (iv) all unrealized gains (by investment) related to Founding Member's side by side investments will be forfeited; *provided , however* , that the following provisions shall govern any forfeiture pursuant to this Section IV.B: (a) if Blackstone's Management Committee has decided that a material

breach has occurred, it shall give Founding Member written notice of the nature of the breach and Founding Member shall have 60 days to cure the breach; (b) if after such 60-day period such material breach has not been cured and the Management Committee determines that a forfeiture is appropriate, it shall give Founding Member written notice of the measure of forfeiture which it has concluded, in its fair and reasonable judgment, is appropriate taking into account the nature of the breach and its potential consequences to Blackstone; and (c) if Founding Member, directly or indirectly, hires any employee of Blackstone in violation of Section I.C above, such action will be deemed to be a material breach; (d) if Founding Member should engage in a willful material breach of this Non-competition Agreement, after the Management Committee has taken into account the potential consequences to Blackstone of such breach in determining the measure of forfeiture, the amount so determined shall be increased by up to 100% (*i.e.* , up to double the original amount) to serve as a penalty for such willful breach; and (e) if Founding Member disputes whether the demanded forfeiture satisfies the foregoing test, he may submit the matter to arbitration in accordance with Section VII, in which event the forfeiture shall await the outcome of the arbitration proceedings; provided, further, that all decisions made by Blackstone's Management Committee pursuant to this Section IV.B. shall be made by a majority vote (excluding Founding Member for such purposes if Founding Member remains a member of such committee). If Blackstone's Management Committee has been disbanded at the time of any action referred to in this Section IV.B, any determination required by Blackstone's Management Committee shall instead be determined by a majority of the members of the Board of Directors of the Public Issuer (excluding Founding Member for such purposes if Founding Member is a member of the Board of Directors of the Public Issuer).

V. Amendment; Waiver

A. This Non-Competition Agreement may not be modified, other than by a written agreement executed by Founding Member and Blackstone, nor may any provision hereof be waived other than by a writing executed by Blackstone.

B. The waiver by Blackstone of any particular default by Founding Member or any employee of Blackstone, shall not affect or impair the rights of Blackstone with respect to any subsequent default of the same or of a different kind by Founding Member or any employee of Blackstone; nor shall any delay or omission by Blackstone to exercise any right arising from any default by Founding Member affect or impair any rights that Blackstone may have with respect to the same or any future default by Founding Member or any employee of Blackstone.

VI. Governing Law

This Non-Competition Agreement and the rights and duties hereunder shall be governed by and construed and enforced in accordance with the laws of the State of New York.

VII. Resolution of Disputes; Submission to Jurisdiction; Waiver of Jury Trial

Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Non-Competition Agreement (including the validity, scope and enforceability of this arbitration provision) or otherwise relating to Blackstone (including, without limitation, any claim of discrimination in connection with Founding Member's tenure as a Founding Member, Partner or Member of Blackstone or any aspect of any relationship between Founding Member and Blackstone or of any aspect of any relationship between Founding Member and Blackstone) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute

fail to agree on the selection of an arbitrator within thirty days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Non-Competition Agreement shall continue if reasonably possible during any arbitration proceedings.

A. Notwithstanding the provisions of this Section VII, Blackstone may bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder and/or enforcing an arbitration award and, for the purposes of this Section VII.A, Founding Member (i) expressly consents to the application of this Section to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Non-Competition Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Chief Legal Officer of Blackstone as Founding Member's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise Founding Member of any such service of process, shall be deemed in every respect effective service of process upon Founding Member in any such action or proceeding.

B. FOUNDING MEMBER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF SECTION VII.A, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS NON-COMPETITION AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration or to confirm an arbitration award. The parties acknowledge that the forum designated by this Section VII.B will have a reasonable relation to this Non-Competition Agreement, and to the parties' relationship with one another.

C. Founding Member hereby waives, to the fullest extent permitted by applicable law, any objection which Founding Member now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in Sections VII. A and VII.B and agrees not to plead or claim the same.

D. Founding Member hereby agrees that Founding Member shall not, nor shall Founding Member allow anyone acting on Founding Member's behalf to, subpoena or otherwise seek to gain access to any financial statements or other financial information relating to Blackstone which constitutes Confidential Information, or any of their respective members or partners, except as specifically permitted by the terms of this Non-Competition Agreement or by the provisions of any limited liability company agreement, partnership agreement or other governing document of Blackstone to which Founding Member is a party.

VIII. Entire Agreement

This Non-Competition Agreement contains the entire agreement between the parties with respect to the subject matter herein and supersedes all prior oral and written agreements between the parties pertaining to such matters.

IX. Severability

If any provision of this Non-Competition Agreement shall be held or deemed to be invalid, illegal or unenforceable in any jurisdiction for any reason, the invalidity of that provision shall not have the

effect of rendering the provision in question unenforceable in any other jurisdiction or in any other case or of rendering any other provisions herein unenforceable, but the invalid provision shall be substituted with a valid provision which most closely approximates the intent and the economic effect of the invalid provision and which would be enforceable to the maximum extent permitted in such jurisdiction or in such case.

WHEREOF, the parties hereto have duly executed this Founding Member Non-Competition and Non-Solicitation Agreement as of the date first above written.

BLACKSTONE HOLDINGS I L.P.

By: Blackstone Holdings I/II GP Inc.,
its general partner

By: /s/ Peter G. Peterson
Name: Peter G. Peterson
Title: Authorized Officer

BLACKSTONE HOLDINGS II L.P.

By: Blackstone Holdings I/II GP Inc.,
its general partner

By: /s/ Peter G. Peterson
Name: Peter G. Peterson
Title: Authorized Officer

BLACKSTONE HOLDINGS III L.P.

By: Blackstone Holdings III GP L.L.C.,
its general partner

By: /s/ Peter G. Peterson
Name: Peter G. Peterson
Title: Founding Member

BLACKSTONE HOLDINGS IV L.P.

By: Blackstone Holdings IV GP L.P.,
its general partner

By: Blackstone Holdings IV GP Management L.L.C.,
its general partner

By: /s/ Peter G. Peterson
Name: Peter G. Peterson
Title: Founding Member

BLACKSTONE HOLDINGS V L.P.

By: Blackstone Holdings V GP L.P.,
its general partner

By: Blackstone Holdings V GP Management (Delaware) L.P.,
its general partner

By: Blackstone Holdings V GP Management L.L.C.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

Agreed and accepted as of the date
first above written:

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman

Exhibit 10.11

FOUNDING MEMBER AGREEMENT
Peter G. Peterson

This Founding Member Agreement, dated as of June 18, 2007 (as amended, supplemented, waived or otherwise modified from time to time in accordance with its terms, the "Founding Member Agreement"), by and among Blackstone Holdings I L.P. (collectively with its affiliates, "Blackstone") and Peter G. Peterson ("Founding Member").

1. Title; Reporting; Key Responsibilities.

(a) Founding Member will be engaged as a Founding Member of Blackstone. Founding Member will serve as the Senior Chairman of Blackstone and his key responsibilities will include participating on Blackstone's Management and Executive Committees on a regular basis. The business of Blackstone will be Founding Member's principal business pursuit and Founding Member agrees to devote such time and attention to the business of Blackstone in a diligent manner as may be reasonably requested by the firm.

(b) Founding Member shall be permitted to engage in non-profit activities (including setting up one or more foundations) and make investments and take any role (other than those prohibited under the Blackstone Compliance Policies described below) in private equity transactions outside of Blackstone, so long as no one transaction or series of related transactions individually exceeds $350 million in total enterprise value, although Founding Member may invest in larger buyouts as a limited partner. If requested, Blackstone shall take reasonable steps to work cooperatively with Founding Member on seeking or making such investments.

2. Distributions; Governing Agreements; Non-Competition.

(a) Founding Member will be paid such distributions and benefits as may be determined by Blackstone from time to time.

(b) Founding Member acknowledges and agrees that Founding Member is subject to all applicable provisions of the Blackstone compliance policies, including the Compliance Policies and Procedures Manual, Investment Adviser Compliance Policies and Procedures and its related supplements, and USA Patriot Act Anti-Money Laundering Policies, as well as Blackstone's Code of Conduct and the Employee Handbook and Business Continuity Plan (or in the case of UK-based Founding Members, the U.K. AML Manual and U.K. Compliance Manual) (collectively, the "Blackstone Compliance Policies").

(c) Founding Member acknowledges that he has executed the Non-Competition and Non-Solicitation Agreement, attached hereto as Schedule A (the "Non-Competition Agreement") and agrees that the terms thereof are incorporated herein by reference.

(d) Founding Member agrees to comply with the confidentiality restrictions set forth in the Non-Competition Agreement.

3. Retirement.

(a) Founding Member agrees to provide Blackstone with written notice of Founding Member's intention to terminate his service with Blackstone at least 90 days prior to the date of such termination (the "Notice Period"). Written notice pursuant to this Section 3(a) shall be provided to either the other Founding Member or, if there is no other Founding Member, to either of the Chief Operating Officer or the Chief Legal Officer of Blackstone. During the Notice Period, Founding Member shall perform his full duties as Founding Member and in the other positions he holds at Blackstone.

(b) Founding Member's Notice Period pursuant to Section 3(a) shall commence no later than June 30, 2008 and Founding Member shall retire from Blackstone no later than December 31, 2008. Upon retirement, Founding Member will resign as Senior Chairman. For the period commencing on Founding Member's retirement date and continuing through the date of Founding Member's death, Founding Member will retain the title of Chairman Emeritus and Co-Founder. Founding Member's " Retirement Period " shall commence on the date of his retirement and shall continue until the earlier of the tenth anniversary of such retirement date or the date of Founding Member's death. Following Founding Member's retirement, Founding Member shall be provided with the following retirement benefits:

(i) From the date of Founding Member's retirement until the third anniversary thereof, Founding Member shall retain his current office and shall be provided with a car and driver. Commencing on the third anniversary of Founding Member's retirement date and continuing until the end of the Retirement Period, Blackstone will provide Founding Member with an appropriate office of its choosing if Founding Member shall so request. Founding Member shall be provided an assistant during the Retirement Period who shall work wherever Founding Member chooses to work. However, Founding Member will relinquish his rights to an office at Blackstone if he chooses to work at another office full-time. Founding Member shall continue to have reasonable use of and access to Blackstone word processing, document production and research facilities during the Retirement Period for assistance on his speeches, books and other projects, although Blackstone shall have no obligations to add incremental staff, resources or capabilities to accommodate such requests for assistance.

(ii) Founding Member shall continue to receive health benefits until his death, subject to his continuing payment of the related health insurance premiums consistent with current policies, and on terms no less favorable than with respect to any other Founding Member of Blackstone or, if there is no other Founding Member, then on terms that are no less favorable than those provided to other senior executives of Blackstone.

(iii) Except as expressly provided under this Founding Member Agreement, Founding Member acknowledges and agrees that he shall not be entitled to any other retirement (including trailers) or disability payments following the date of his retirement.

(c) Before and during the Retirement Period, Founding Member and/or the foundations that he establishes shall continue to be entitled to invest in funds of hedge funds sponsored by Blackstone Alternative Asset Management L.P. (" BAAM ") (or other current or new Blackstone-affiliated funds) on substantially the same favorable basis as he has in the past. With respect to BAAM, Founding Member shall not be required to pay fees associated with such investments on his capital and/or capital he donated to such foundations. However, if Founding Member desires to increase his or his foundations' commitments to BAAM, Blackstone shall not be obligated to accept such increased capital if the net effect (in Blackstone's fair and reasonable determination) would be to crowd out fee-paying third party investors or the firm itself. In that connection, Founding Member acknowledges that Blackstone has advised him that the latter condition exists as of the date of this Founding Member Agreement, which would mean that if any increase in Founding Member's or his foundations' commitments to BAAM were made at the present time, such increased commitments would be subject to the same fee-paying obligations as third party investors. Founding Member shall also have the same access to other Blackstone funds during the Retirement Period on a basis generally consistent with that of other partners. If any of such funds have provisions which limit the amount of Blackstone's available co-investment or the amount of investment not subject to fees, Founding Member's investment in such funds shall be

treated in similar manner to that of other internal partners. Founding Member understands that he shall not be entitled to make any new side-by-side investments (although he may retain interests in side-by-side investments made prior to retirement) after his retirement, including during the Retirement Period.

(d) Until the expiration of all transfer restrictions applicable to any limited partner interests or units Founding Member may hold of Blackstone Holdings (as defined in the Non-Competition Agreement) or The Blackstone Group L.P., respectively (collectively the " Units "), Founding Member agrees (on behalf of himself and any and all estate planning vehicles, partnerships or other legal entities controlled by or affiliated with Founding Member (" Affiliated Vehicles ")) that all Units held by Founding Member and all such Affiliated Vehicles will only be held in an account at Blackstone's equity plan administrator or otherwise administered by such administrator.

4. Successors and Assigns . This Founding Member Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective predecessors, successors, assigns, heirs, executors, administrators and personal representatives, and each of them, whether so expressed or not, and to the extent provided herein, the affiliates of the parties and Blackstone. This Founding Member Agreement is not assignable by Founding Member without the prior written consent of Blackstone, and any attempted assignment of this Founding Member Agreement, without such prior written consent, shall be void.

5. Headings . The section headings in this Founding Member Agreement are for convenience of reference only and shall in no event affect the meaning or interpretation of this Founding Member Agreement.

6. Modification or Waiver in Writing . This Founding Member Agreement may not be modified or amended except by a writing signed by each of the parties hereto. No waiver of this Founding Member Agreement or of any promises, obligations or conditions contained herein shall be valid unless in writing and signed by the party against whom such waiver is to be enforced. No delay on the part of any person in exercising any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any person of any such right, remedy or power, nor any single or partial exercise of any such right, remedy or power, preclude any further exercise thereof or the exercise of any other right, remedy or power.

7. Governing Law . This Founding Member Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed entirely within such State.

8. Counterparts . This Founding Member Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

9. Section 409A . In the event that it is reasonably determined by Blackstone that, as a result of the deferred compensation tax rules under Section 409A of the Internal Revenue Code of 1986, as amended (and any related regulations or other pronouncements thereunder) (the " Deferred Compensation Tax Rules "), any of the payments and benefits that Founding Member is entitled to under the terms of this Founding Member Agreement or otherwise may not be made at the time contemplated by the terms hereof or thereof, as the case may be, without causing Founding Member to be subject to tax under the Deferred Compensation Tax Rules, Blackstone shall, in lieu of providing such payment or benefit when otherwise due under this Agreement, instead provide such payment or benefit on the first day on which such provision would not result in Founding Member incurring any tax liability under the Deferred Compensation Tax Rules; which day, if Founding Member is a "specified employee" within the meaning

of the Deferred Compensation Tax Rules, shall be the first day following the six-month period beginning on the date of Founding Member's separation from service. In addition, in the event that any payments or benefits that Blackstone would otherwise be required to provide under this Founding Member Agreement cannot be provided in the manner contemplated herein without subjecting Founding Member to tax under the Deferred Compensation Tax Rules, Blackstone shall provide such intended payments or benefits to Founding Member in an alternative manner that conveys an equivalent economic benefit to Founding Member as soon as practicable as may otherwise be permitted under the Deferred Compensation Tax Rules. For purposes of the Deferred Compensation Tax Rules, each payment made under this Agreement shall be designated as a "separate payment" within the meaning of the Deferred Compensation Tax Rules.

10. Blackstone Partnership Agreement . This Founding Member Agreement shall be treated as part of the Blackstone Partnership Agreement for purposes of Section 761(c) of the Code and Sections 1.704-1(b)(2)(ii)(h) and 1.761-1(c) of the Treasury Regulations.

* * *

WHEREOF, the parties hereto have duly executed this Founding Member Agreement as of the date first above written.

BLACKSTONE HOLDINGS I L.P.

By: Blackstone Holdings I/II GP Inc.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

FOUNDING MEMBER

/s/ Peter G. Peterson
Peter G. Peterson

Schedule A

Founding Member Non-Competition and Non-Solicitation Agreement

This Founding Member Non-Competition and Non-Solicitation Agreement, dated as of June 18, 2007 (the " Non-Competition Agreement "), between Blackstone Holdings I L.P., a Delaware limited partnership, Blackstone Holdings II L.P., a Delaware limited partnership, Blackstone Holdings III L.P., a Delaware limited partnership, Blackstone Holdings IV L.P., a *société en commandite* formed under the laws of the Province of Québec, and Blackstone Holdings V L.P., a *société en commandite* formed under the laws of the Province of Québec (collectively, " Blackstone Holdings " and, together with its subsidiaries and affiliated entities, " Blackstone "), and Peter G. Peterson (" Founding Member ").

WHEREAS,

(a) The Blackstone Group L.P., a Delaware limited partnership (the "Public Issuer") is effecting an initial public offering (the " IPO ") of its common units representing limited partner interests pursuant to a Registration Statement on Form S-1 (Registration No. 333-141504) filed with the U.S. Securities and Exchange Commission (the " Registration Statement ");

(b) As a condition precedent to the IPO, Founding Member and the other existing owners of the entities comprising Blackstone Group (as such term is defined in the Registration Statement) will effect sales and contributions constituting the Reorganization (as such term is defined in the Registration Statement and, together with the IPO, the " Transaction ");

(c) Founding Member acknowledges and agrees that the limited partner interests in the Blackstone Holdings partnerships and other consideration that Founding Member will receive in connection with and as a result of the Transaction will materially benefit Founding Member;

(d) As part of the Transaction, the Public Issuer (and accordingly the public investors in the IPO), will acquire an equity interest in Blackstone Holdings;

(e) Founding Member acknowledges and agrees that it is essential to the success of the Transaction, and Blackstone in the future, that the limited partner interests in Blackstone Holdings that are being issued in connection with the Transaction be protected by non-competition and non-solicitation agreements that will be entered into by Founding Member and other existing owners of Blackstone Group;

(f) Founding Member acknowledges and agrees that Blackstone would suffer significant and irreparable harm from Founding Member competing with Blackstone for a period of time after the IPO or after the termination of Founding Member's service with Blackstone;

(g) Founding Member acknowledges and agrees that in connection with the Transaction, and in the course of Founding Member's service with Blackstone, Founding Member has been and will be provided with Confidential Information (as hereinafter defined) of Blackstone, and has been and will be provided with the opportunity to develop relationships with investors and clients, prospective investors and clients, employees and other agents of Blackstone, and Founding Member further acknowledges that such Confidential Information and relationships are extremely valuable assets in which Blackstone has invested and will continue to invest substantial time, effort and expense and which represent a significant component of the value of the Transaction; and

(h) It is a condition precedent to Founding Member participating in the Transaction that Founding Member agrees to be bound by the covenants contained herein (collectively, the " Restrictive Covenants ").

NOW, THEREFORE, for good and valuable consideration, Founding Member and Blackstone hereby covenant and agree to the following restrictions which Founding Member acknowledges and agrees are reasonable and necessary to protect the legitimate business interests of Blackstone and for the other owners of Blackstone to have and enjoy the full benefit of the business interests acquired in connection with the Transaction and which will not unnecessarily or unreasonably restrict Founding Member's professional opportunities should his or her service with Blackstone terminate.

I. Non-Competition and Non-Solicitation Covenants

A. Non-Competition . Founding Member shall not, directly or indirectly, during Founding Member's service with Blackstone, and for a period ending on the later of four years following the date of the IPO, or two years following the termination by of Founding Member's service pursuant to Section 3 of the Founding Member Agreement, associate (including but not limited to association as a sole proprietor, owner, employer, principal, investor, joint venturer, shareholder, associate, employee, member, consultant, contractor or otherwise) with any Competitive Business or any of the affiliates, related entities, successors or assigns of any Competitive Business; *provided however* that with respect to the equity of any Competitive Business which is or becomes publicly traded, Founding Member's ownership as a passive investor of less than 3% of the outstanding publicly traded stock of a Competitive Business shall not be deemed a violation of this Non-Competition Agreement. For purposes of this Non-Competition Agreement, " Competitive Business " means any business, in any geographical or market area where Blackstone conducts business or provides products or services, that competes with the business of Blackstone, including any business in which Blackstone engaged during the term of Founding Member's service and any business that Blackstone was actively considering conducting at the time of Founding Member's termination of service and of which Founding Member has, or reasonably should have, knowledge, but excluding the activities outlined in Section 1(b) of the Founding Member Agreement.

B. Non-Solicitation of Clients/Investors . Founding Member shall not, directly or indirectly, during Founding Member's service with Blackstone, and for a period ending on the later of four years following the date of the IPO, or two years following the termination of Founding Member's service pursuant to Section 3 of the Founding Member Agreement, (a) solicit, or assist any other individual, person, firm or other entity in soliciting, the business of any Client or Prospective Client for or on behalf of an existing or prospective Competitive Business; (b) perform, provide or assist any other individual, person, firm or other entity in performing or providing, services similar to those provided by Blackstone, for any Client or Prospective Client; or (c) impede or otherwise interfere with or damage (or attempt to impede or otherwise interfere with or damage) any business relationship and/or agreement between Blackstone and (i) a Client or Prospective Client or (ii) any supplier.

1. For purposes of this Non-Competition Agreement, "Client" means any person, firm, corporation or other organization whatsoever for whom Blackstone provided services (including without limitation any investor in any Blackstone fund, any client of any Blackstone business group or any other person for whom Blackstone renders any service) during the three-year period immediately preceding Founding Member's termination of service. "Prospective Client" shall mean any person, firm, corporation or other organization whatsoever with whom Blackstone has had any negotiations or discussions regarding the possible engagement of business or the performance of business services within the eighteen months preceding Founding Member's termination of service with Blackstone.

2. For purposes of this Section I.B., “solicit” means to have any direct or indirect communication of any kind whatsoever, regardless of by whom initiated, inviting, advising, encouraging or requesting any individual, person, firm or other entity, in any manner, to take or refrain from taking any action.

C. Non-Solicitation of Employees/Consultants . Founding Member shall not, directly or indirectly, during Founding Member’s service with Blackstone, and for a period ending on the later of four years following the date of the IPO, or two years following the termination of Founding Member’s service pursuant to Section 3 of the Founding Member Agreement (such period, the “ Restricted Period ”), solicit, employ, engage or retain, or assist any other individual, person, firm or other entity in soliciting, employing, engaging or retaining, (i) any employee or other agent of Blackstone, including without limitation any former employee or other agent of Blackstone who ceased working for Blackstone within the twelve-month period immediately preceding or following the date on which Founding Member’s service with Blackstone terminated, or (ii) any consultant or senior adviser that is under contract with Blackstone. For purposes of this Section I.C., “solicit” means to have any direct or indirect communication of any kind whatsoever, regardless of by whom initiated, inviting, advising, encouraging or requesting any person or entity, in any manner, to terminate their employment or business relationship with Blackstone, or recommending or suggesting (including by identifying a person or entity to a third party) that a third party take any of the foregoing actions. Notwithstanding the foregoing, Founding Member may solicit and employ the driver and any of the administrative assistants who are working for him on the termination of his service with Blackstone.

II. Confidentiality

A. Founding Member expressly agrees, at all times, during and subsequent to Founding Member’s service with Blackstone, to maintain the confidentiality of, and not to disclose to or discuss with, any person any Confidential Information (as hereinafter defined), except (i) to the extent reasonably necessary or appropriate to perform Founding Member’s duties and responsibilities as a Founding Member including without limitation furthering the interests of Blackstone and/or developing new business for Blackstone (*provided* that Confidential Information relating to (x) personnel matters related to any present or former employee, partner or member of Blackstone (including Founding Member himself), including compensation and investment arrangements, or (y) the financial structure, financial position or financial results of the Blackstone Entities, shall not be so used without the prior consent of Blackstone), (ii) with the prior written consent of Blackstone, or (iii) as otherwise required by law, regulation or legal process or by any regulatory or self-regulatory organization having jurisdiction, and except that only the terms of the restrictions set forth in Section I hereof should be disclosed to Founding Member’s prospective future employers upon request in connection with Founding Member’s application for employment.

B. For purposes of this Non-Competition Agreement, “ Confidential Information ” means information concerning the business, affairs, operations, strategies, policies, procedures, organizational and personnel matters related to any present or former employee, partner or member of Blackstone (including Founding Member himself), including compensation and investment arrangements, terms of agreements, financial structure, financial position, financial results or other financial affairs, actual or proposed transactions or investments, investment results, existing or prospective clients or investors, computer programs or other confidential information related to the business of Blackstone or to its members, actual or prospective clients or investors (including funds managed by affiliates of Blackstone), their respective portfolio companies or other third parties. Such information may have been or may be provided in written or electronic form or orally. All of such information, from whatever source learned or obtained and regardless of Blackstone’s connection to the information, is referred to herein as “Confidential Information.” Confidential Information excludes information that has been made generally

available to the public (although it does include any confidential information received by Blackstone from any clients), but information that when viewed in isolation may be publicly known or can be accessed by a member of the public will still constitute Confidential Information for these purposes if such information has become proprietary to Blackstone through Blackstone's aggregation or interpretation of such information. Without limiting the foregoing, Confidential Information includes any information, whether public or not, which (1) represents, or is aggregated in such a way as to represent, or purport to represent, all or any portion of the investment results of, or any other information about the investment "track record" of, (a) Blackstone, (b) a business group of Blackstone, (c) one or more funds managed by Blackstone, or (d) any individual or group of individuals during their time at Blackstone, or (2) describes an individual's role in achieving or contributing to any such investment results.

III. Non-Disparagement

Founding Member agrees that, during and at any time after Founding Member's service with Blackstone, Founding Member will not, directly or indirectly, through any agent or affiliate, make any disparaging comments or criticisms (whether of a professional or personal nature) to any individual or other third party (including without limitation any present or former member, partner or employee of Blackstone) or entity regarding Blackstone (or the terms of any agreement or arrangement of any Blackstone entity) or any of their respective affiliates, members, partners or employees, or regarding Founding Member's relationship with Blackstone or the termination of such relationship which, in each case, are reasonably expected to result in material damage to the business or reputation of Blackstone or any of its affiliates, members, partners or employees.

IV. Remedies

A. Injunctive Relief . Founding Member acknowledges and agrees that Blackstone's remedy at law for any breach of the Restrictive Covenants would be inadequate and that for any breach of such covenants, Blackstone shall, in addition to other remedies as may be available to it at law or in equity, or as provided for in this Non-Competition Agreement, be entitled to an injunction, restraining order or other equitable relief, without the necessity of posting a bond, restraining Founding Member from committing or continuing to commit any violation of such covenants. Founding Member agrees that proof shall not be required that monetary damages for breach of the provisions of this Non-Competition Agreement would be difficult to calculate and that remedies at law would be inadequate.

B. Forfeiture . In the event of any material breach of this Non-Competition Agreement, the Founding Member Agreement or any limited liability company agreement, partnership agreement or other governing document of Blackstone to which Founding Member is a party and which was provided to Founding Member at the time of the execution of this Non-Competition Agreement or which is subsequently executed by Founding Member after the date hereof, (i) Founding Member shall no longer be entitled to receive payment of any amounts that would otherwise be payable to Founding Member following Founding Member's withdrawal as a Founding Member, Member or Partner, as the case may be, of Blackstone (including, without limitation, return of Founding Member's capital contributions), (ii) all of Founding Member's remaining Founding Member, Member, Partner or other interests (including carried interests) in Blackstone (whether vested or unvested and whether delivered or not yet delivered) shall immediately terminate and be null and void, and all of the securities of Blackstone Holdings or the Public Issuer (whether vested or unvested and whether delivered or not yet delivered) held by Founding Member or Founding Member's personal planning vehicle(s) shall be forfeited, (iii) no further such interests or securities will be awarded to Founding Member, and (iv) all unrealized gains (by investment) related to Founding Member's side by side investments will be forfeited; provided, however, that the following provisions shall govern any forfeiture pursuant to this Section IV.B: (a) if Blackstone's Management Committee has decided that a material breach has occurred, it shall give Founding Member

written notice of the nature of the breach and Founding Member shall have 60 days to cure the breach; (b) if after such 60-day period such material breach has not been cured and the Management Committee determines that a forfeiture is appropriate, it shall give Founding Member written notice of the measure of forfeiture which it has concluded, in its fair and reasonable judgment, is appropriate taking into account the nature of the breach and its potential consequences to Blackstone; (c) if Founding Member, directly or indirectly, hires any employee of Blackstone in violation of Section I.C above, such action will be deemed to be a material breach; (d) if Founding Member should engage in a willful material breach of this Non-competition Agreement, after the Management Committee has taken into account the potential consequences to Blackstone of such breach in determining the measure of forfeiture, the amount so determined shall be increased by up to 100% (*i.e.* , up to double the original amount) to serve as a penalty for such willful breach; and (e) if Founding Member disputes whether the demanded forfeiture satisfies the foregoing test, he may submit the matter to arbitration in accordance with Section VII, in which event the forfeiture shall await the outcome of the arbitration proceedings; provided, further, that all decisions made by Blackstone's Management Committee pursuant to this Section IV.B shall be made by a majority vote (excluding Founding Member for such purposes if Founding Member remains a member of such committee). If Blackstone's Management Committee has been disbanded at the time of any action referred to in this Section IV.B, any determination required by Blackstone's Management Committee shall instead be determined by a majority of the members of the Board of Directors of the Public Issuer (excluding Founding Member for such purposes if Founding Member is a member of the Board of Directors of the Public Issuer).

V. Amendment; Waiver

A. This Non-Competition Agreement may not be modified, other than by a written agreement executed by Founding Member and Blackstone, nor may any provision hereof be waived other than by a writing executed by Blackstone.

B. The waiver by Blackstone of any particular default by Founding Member or any employee of Blackstone, shall not affect or impair the rights of Blackstone with respect to any subsequent default of the same or of a different kind by Founding Member or any employee of Blackstone; nor shall any delay or omission by Blackstone to exercise any right arising from any default by Founding Member affect or impair any rights that Blackstone may have with respect to the same or any future default by Founding Member or any employee of Blackstone.

VI. Governing Law

This Non-Competition Agreement and the rights and duties hereunder shall be governed by and construed and enforced in accordance with the laws of the State of New York.

VII. Resolution of Disputes; Submission to Jurisdiction; Waiver of Jury Trial

Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Non-Competition Agreement (including the validity, scope and enforceability of this arbitration provision) or otherwise relating to Blackstone (including, without limitation, any claim of discrimination in connection with Founding Member's tenure as a Founding Member, Partner or Member of Blackstone or any aspect of any relationship between Founding Member and Blackstone or of any aspect of any relationship between Founding Member and Blackstone) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty days of the receipt of the request for arbitration,

the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Non-Competition Agreement shall continue if reasonably possible during any arbitration proceedings.

A. Notwithstanding the provisions of this Section VII, Blackstone may bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder and/or enforcing an arbitration award and, for the purposes of this Section VII.A, Founding Member (i) expressly consents to the application of this Section to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Non-Competition Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Chief Legal Officer of Blackstone as Founding Member's agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise Founding Member of any such service of process, shall be deemed in every respect effective service of process upon Founding Member in any such action or proceeding.

B. FOUNDING MEMBER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF SECTION VII.A, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS NON-COMPETITION AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration or to confirm an arbitration award. The parties acknowledge that the forum designated by this Section VII.B will have a reasonable relation to this Non-Competition Agreement, and to the parties' relationship with one another.

C. Founding Member hereby waives, to the fullest extent permitted by applicable law, any objection which Founding Member now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in Sections VII.A and VII.B and agrees not to plead or claim the same.

D. Founding Member hereby agrees that Founding Member shall not, nor shall Founding Member allow anyone acting on Founding Member's behalf to, subpoena or otherwise seek to gain access to any financial statements or other financial information relating to Blackstone which constitutes Confidential Information, or any of their respective members or partners, except as specifically permitted by the terms of this Non-Competition Agreement or by the provisions of any limited liability company agreement, partnership agreement or other governing document of Blackstone to which Founding Member is a party.

VIII. Severability

If any provision of this Non-Competition Agreement shall be held or deemed to be invalid, illegal or unenforceable in any jurisdiction for any reason, the invalidity of that provision shall not have the effect of rendering the provision in question unenforceable in any other jurisdiction or in any other case or of rendering any other provisions herein unenforceable, but the invalid provision shall be substituted with a valid provision which most closely approximates the intent and the economic effect of the invalid provision and which would be enforceable to the maximum extent permitted in such jurisdiction or in such case.

WHEREOF, the parties hereto have duly executed this Founding Member Non-Competition and Non-Solicitation Agreement as of the date first above written.

BLACKSTONE HOLDINGS I L.P.

By: Blackstone Holdings I/II GP Inc.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

BLACKSTONE HOLDINGS II L.P.

By: Blackstone Holdings I/II GP Inc.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

BLACKSTONE HOLDINGS III L.P.

By: Blackstone Holdings III GP L.L.C.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

BLACKSTONE HOLDINGS IV L.P.

By: Blackstone Holdings IV GP L.P.,
its general partner

By: Blackstone Holdings IV GP Management L.L.C.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

BLACKSTONE HOLDINGS V L.P.

By: Blackstone Holdings V GP L.P.,
its general partner

By: Blackstone Holdings V GP Management (Delaware) L.P.,
its general partner

By: Blackstone Holdings V GP Management L.L.C.,
its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Chairman and Chief Executive Officer

Agreed and accepted as of the date
first above written:

By: /s/ Peter G. Peterson
Name: Peter G. Peterson

Exhibit 10.12

BMA V L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

DATED AS OF MAY 31, 2007

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BMA V L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT of BMA V L.L.C. (the " Company "), dated as of May 31, 2007, by and among Blackstone Holdings III L.P., a Delaware limited partnership (the " Managing Member " or " Holdings "), the other members of the Company as provided on the signature pages hereto, and such other persons that are admitted to the Company as members after the date hereof in accordance herewith.

W I T N E S S E T H

WHEREAS, the Company was formed under the LLC Act (defined below) pursuant to a certificate of formation filed in the office of the Secretary of State of the State of Delaware on July 8, 2005;

WHEREAS, the original limited liability company agreement of the Company was executed as of July 8, 2005 (the " Original Operating Agreement ");

WHEREAS, the Original Operating Agreement was amended and restated in its entirety by the Amended and Restated Limited Liability Company Agreement, dated as of October 14, 2005, of the Company (as amended to date, the " First Amended and Restated Operating Agreement "); and

WHEREAS, the parties hereto now wish to amend and restate the First Amended and Restated Operating Agreement in its entirety as of the date hereof and as more fully set forth below.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1. Definitions . Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

" Advancing Party " has the meaning set forth in Section 7.1(b).

" Affiliate " when used with reference to another person means any person (other than the Company), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person.

" Agreement " means this Second Amended and Restated Limited Liability Company Agreement, as it may be further amended and restated from time to time.

" Alternative Investment Vehicle " means any investment vehicle or structure formed pursuant to paragraph 2.7 of the BCP V Partnership Agreement or any other "Alternative Investment Vehicle" (as defined in any other BCP V Agreements).

" Applicable Collateral Percentage " shall have the meaning with respect to any Firm Collateral and Special Firm Collateral, in each case, as set forth on the books and records of the Company with respect thereto.

" Bankruptcy " means, with respect to any person, the occurrence of any of the following events: (i) the filing of an application by such person for, or a consent to, the appointment of a trustee or custodian of his assets; (ii) the filing by such person of a voluntary petition in Bankruptcy or the seeking of relief under Title 11 of the United States Code, as now constituted or hereafter amended, or the filing of a pleading in any court of record admitting in writing his inability to pay his debts as they become due; (iii) the failure of such person to pay his debts as such debts become due; (iv) the making by such person of a general assignment for the benefit of creditors; (v) the filing by such person of an answer admitting the material allegations of, or his consenting to, or defaulting in answering, a Bankruptcy petition filed against him in any Bankruptcy proceeding or petition seeking relief under Title 11 of the United States Code, as now constituted or as hereafter amended; or (vi) the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such person a bankrupt or insolvent or for relief in respect of such person or appointing a trustee or custodian of his assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

" BCA V " means Blackstone Capital Associates V L.P., a Delaware limited partnership, and any other partnership or other entity with terms substantially similar to the terms of that partnership and formed after the date hereof in connection with the indirect participation by one or more partners thereof who receive Carried Interest.

" BCA V Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Capital Associates V L.P., dated as of October 14, 2005, as it may be amended, supplemented or otherwise modified from time to time.

"BCOM" means (i) Blackstone Communications Partners I L.P., a Delaware limited partnership, and (ii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

" BCP " means Blackstone Capital Partners L.P., a Delaware limited partnership, and any investment vehicle established in accordance with the terms of Blackstone Capital Partners L.P.'s partnership agreement to invest in lieu of Blackstone Capital Partners L.P. on behalf of one or more of the partners thereof.

" BCP II " means Blackstone Capital Partners II Merchant Banking Fund L.P., a Delaware limited partnership, any investment vehicle established pursuant to paragraph 2.7 of such partnership's partnership agreement, Blackstone Offshore Capital Partners II L.P., a Cayman Islands exempted limited partnership, and any investment vehicle established pursuant to paragraph 2.7 of such partnership's partnership agreement.

" BCP III " means Blackstone Capital Partners III Merchant Banking Fund L.P., a Delaware limited partnership, Blackstone Offshore Capital Partners III L.P., a Cayman Islands exempted limited partnership, and any investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreement of either of such partnerships.

" BCP IV " is the collective reference to Blackstone Capital Partners IV L.P., a Delaware limited partnership, and any Alternative Investment Vehicle relating thereto and any Parallel Fund.

" BCP V " is the collective reference to (i) Blackstone Capital Partners V L.P., a Delaware limited partnership, and any Alternative Investment Vehicle relating thereto, (ii) BCP V-S L.P., a Delaware limited partnership, and any Alternative Investment Vehicle relating thereto, and (iii) Blackstone Capital Partners V-AC L.P., a Delaware limited partnership, and any Alternative Investment Vehicle relating thereto.

" BCP V Agreements " is the collective reference to (i) the BCP V Partnership Agreement and (ii) the similar agreements of any Alternative Investment Vehicles.

" BCP V Partnership Agreement " is the collective reference to (i) the Amended and Restated Agreement of Limited Partnership, dated as of October 14, 2005, of Blackstone Capital Partners V L.P. and (ii) the Amended and Restated Agreement of Limited Partnership, dated as of October 14, 2005, of BCP V-S L.P., in each case, as may be amended, supplemented or otherwise modified from time to time.

" BFCOMP " means Blackstone Communications Capital Associates I L.P., Blackstone Family Communications Partnership I L.P. and any other partnership that is an Affiliate thereof and has terms substantially similar to those of the foregoing partnerships and is formed in connection with the participation by one or more partners thereof directly or indirectly in investments in securities also purchased by BCOM or any other funds with substantially similar investment objectives to BCOM and that are sponsored or managed by an Affiliate of the Company (which includes serving as general partner of such funds).

" BFCOMP Agreement " means the Amended and Restated Agreements of Limited Partnership dated as of June 29, 2000 of Blackstone Family Communications Partnership I L.P. and Blackstone Communications Capital Associates I L.P. and any other BFCOMP limited partnership agreement.

" BFCOMP Investment " means any direct or indirect investment by BFCOMP.

" BFIP " means Blackstone Capital Associates II L.P., Blackstone Capital Associates III L.P., Blackstone Capital Associates IV L.P., Blackstone Capital Associates V L.P., Blackstone Family Investment Partnership I L.P., Blackstone Family Investment Partnership II L.P., Blackstone Family Investment Partnership III L.P., Blackstone Family Investment Partnership IV— A L.P. , Blackstone Family Investment Partnership IV— B L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V— A L.P. and any other entity that is an Affiliate thereof and has terms similar to those of the foregoing partnerships and is formed in connection with the participation by one or more of the partners thereof in investments in securities also purchased by BCP, BCP II, BCP III, BCP IV, BCP V or any other fund with substantially similar investment objectives to BCP, BCP II, BCP III, BCP IV and BCP V and that are sponsored or managed by an Affiliate of the Company (which includes serving as general partner of such funds).

" BFIP Agreement " means the Amended and Restated Agreement of Limited Partnership dated as of December 14, 1995 of Blackstone Family Investment Partnership I L.P., the Limited Partnership Agreement dated as of December 14, 1995 of Blackstone Family Investment Partnership II L.P., the Limited Partnership Agreement dated as of December 21, 1995 of Blackstone Capital Associates II L.P., the Limited Partnership Agreements dated as of June 27, 1997 of Blackstone Family Investment Partnership III L.P. and Blackstone Capital Associates III L.P., the Amended and Restated Agreements of Limited Partnership dated as of November 9, 2001 of Blackstone Family Investment Partnership IV—A L.P., Blackstone Family Investment Partnership IV—B L.P. and Blackstone Capital Associates IV L.P., and the Amended and Restated Agreements of Limited Partnership dated as of October 14, 2005, of Blackstone Family Investment Partnership V L.P. and Blackstone Capital Associates V L.P. and the Amended and

Restated Agreement of Limited Partnership dated as of March 23, 2006 of Blackstone Family Investment Partnership V—A L.P., as each of such agreements may be amended, supplemented or otherwise modified from time to time, and any other BFIP limited partnership agreement.

" BFIP Investment " means any direct or indirect investment by BFIP.

" BFIP V " means, collectively, Blackstone Family Investment Partnership V L.P., a Delaware limited partnership.

" BFIP V Partnership Agreement " means, collectively, the Amended and Restated Agreements of Limited Partnership of BFIP V, dated as of October 14, 2005, as amended, supplemented or otherwise modified from time to time, and any other BFIP partnership agreement.

" BFMEZP " means Blackstone Mezzanine Capital Associates L.P., Blackstone Mezzanine Capital Associates II L.P., Blackstone Family Mezzanine Partnership L.P., Blackstone Family Mezzanine Partnership II L.P., Blackstone Mezzanine Holdings L.P., Blackstone Mezzanine Holdings II L.P., and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships and is formed in connection with the participation by one or more partners thereof directly or indirectly in investments in securities also purchased by BMEZP I, BMEZP II or any other funds with substantially similar investment objectives to BMEZP I and BMEZP II and that are sponsored or managed by an Affiliate of the Company (which includes serving as general partner of such funds).

" BFMEZP Agreement " means the Amended and Restated Agreements of Limited Partnership dated as of October 22, 1999 of Blackstone Family Mezzanine Partnership L.P. and Blackstone Mezzanine Capital Associates L.P., the Limited Partnership Agreement dated as of March 22, 1999 of Blackstone Mezzanine Holdings L.P., the Amended and Restated Agreements of Limited Partnership dated as of June 10, 2005 of Blackstone Family Mezzanine Partnership II L.P., Blackstone Mezzanine Capital Associates II L.P. and Blackstone Mezzanine Holdings II L.P., as each of such agreements may be amended, supplemented or otherwise modified from time to time, and any other BFMEZP limited partnership agreement.

" BFMEZP Investment " means any direct or indirect investment by BFMEZP.

" BFREP " means Blackstone Real Estate Capital Associates L.P., Blackstone Real Estate Capital Associates II L.P., Blackstone Real Estate Capital Associates III L.P., Blackstone Real Estate Capital Associates International L.P., Blackstone Real Estate Capital Associates IV L.P., Blackstone Real Estate Capital Associates International II L.P., Blackstone Real Estate Capital Associates V L.P., Blackstone Real Estate Capital Associates VI L.P., Blackstone Family Real Estate Partnership L.P., Blackstone Family Real Estate Partnership II L.P., Blackstone Family Real Estate Partnership III L.P., Blackstone Family Real Estate Partnership International—A L.P., Blackstone Family Real Estate Partnership International—B L.P., Blackstone Family Real Estate Partnership IV L.P., Blackstone Family Real Estate Partnership International II L.P., Blackstone Family Real Estate Partnership V L.P., Blackstone Real Estate Holdings L.P., Blackstone Real Estate Holdings II L.P., Blackstone Real Estate Holdings III L.P., Blackstone Real Estate Holdings International—A L.P., Blackstone Real Estate Holdings International—B L.P., BRE Holdings International—A L.P., BRE Holdings International—B L.P., Blackstone Real Estate Holdings IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings International II-A L.P., BRE Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P. and any other entity that is an Affiliate

thereof and that has terms substantially similar to those of the foregoing partnerships and is formed in connection with the participation by one or more partners thereof in real estate and real estate-related investments also purchased by BREP and any other funds with substantially similar investment objectives to BREP and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

" BFREP Agreement " means the Agreement of Limited Partnership, dated as of May 20, 1996, of Blackstone Real Estate Capital Associates L.P., the Agreements of Limited Partnership, dated as of October 21, 1996, of Blackstone Family Real Estate Partnership II L.P., Blackstone Real Estate Holdings II L.P. and Blackstone Real Estate Capital Associates II L.P., the Agreements of Limited Partnership, dated as of October 21, 1998, of Blackstone Family Real Estate Partnership III L.P., Blackstone Real Estate Holdings III L.P. and Blackstone Real Estate Capital Associates III L.P., the Amended and Restated Agreements of Limited Partnership, dated as of July 26, 2001, of Blackstone Family Real Estate Partnership International—A L.P., Blackstone Family Real Estate Partnership International—B L.P., Blackstone Real Estate Capital Associates International L.P., Blackstone Real Estate Holdings International—A L.P., Blackstone Real Estate Holdings International—B L.P., BRE Holdings International—A L.P. and BRE Holdings International—B L.P., the Amended and Restated Agreements of Limited Partnership, dated as of September 9, 2002, of Blackstone Family Real Estate Partnership IV L.P., Blackstone Real Estate Capital Associates IV L.P. and Blackstone Real Estate Holdings IV L.P., the Amended and Restated Agreements of Limited Partnership, dated as of August 5, 2005, of Blackstone Family Real Estate Partnership International II L.P., Blackstone Real Estate Capital Associates International II L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings International II-A L.P. and BRE Holdings International II L.P., the Amended and Restated Agreements of Limited Partnership, dated as of December 14, 2005, of Blackstone Family Real Estate Partnership V L.P., Blackstone Real Estate Capital Associates V L.P. and Blackstone Real Estate Holdings V L.P., and the Amended and Restated Agreements of Limited Partnership, dated as of February 8, 2007, of Blackstone Family Real Estate Partnership VI L.P., Blackstone Real Estate Capital Associates VI L.P. and Blackstone Real Estate Holdings VI L.P., as each of such agreements may be amended, supplemented or otherwise modified from time to time, and any other BFREP limited partnership agreement.

" BFREP Investment " means any direct or indirect investment by BFREP.

" Blackstone Capital Commitment " has the meaning set forth in the BCP V Agreements.

" Blackstone Co-Investment Rights " has the meaning set forth in the BCP V Agreements.

" BMA V " means Blackstone Management Associates V L.L.C., a Delaware limited liability company and the general partner of BCP V.

" BMA V LLC Agreement " means the Amended and Restated Limited Liability Company Agreement of Blackstone Management Associates V L.L.C., dated as of October 14, 2005, as it may be amended, supplemented or otherwise modified from time to time.

" BMEZP I " means (i) Blackstone Mezzanine Partners L.P., a Delaware limited partnership, and (ii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

" BMEZP II " means (i) Blackstone Mezzanine Partners II L.P., a Delaware limited partnership, and (ii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

" BPP V " means Blackstone Participation Partnership V L.P., a Delaware limited partnership.

" BPP V Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of BPP V, dated as of October 14, 2005, as it may be amended, supplemented or otherwise modified from time to time.

" BREP VI " means (i) Blackstone Real Estate Partners VI L.P., Blackstone Real Estate Partners VI.TE.1 L.P., Blackstone Real Estate Partners VI.TE.2 L.P. and Blackstone Real Estate Partners VI.F L.P., each a Delaware limited partnership, (ii) any other Parallel Funds or other Supplemental Capital Vehicles (each as defined in the BREP VI Partnership Agreement), or (iii) any other investment vehicle established pursuant to Article 2 of the respective partnership agreements for any of the partnerships referred to in clause (i) above.

" BREP VI Partnership Agreement " means the collective reference to the Amended and Restated Agreements of Limited Partnership of BREP VI, dated as of February 8, 2007, as may be amended, supplemented or otherwise modified from time to time.

" Capital Commitment BCP V Investment " means the Company's interest in a specific investment of BCP V pursuant to the BCP V Partnership Agreement in the Company's capacity as a capital partner of BCP V.

" Capital Commitment BCP V Commitment " means the Company's Capital Commitment (as defined in the BCP V Partnership Agreement) to BCP V that relates solely to the Capital Commitment BCP V Interest.

" Capital Commitment BCP V Interest " means the Interest (as defined in the BCP V Partnership Agreement) of the Company as a capital partner in BCP V.

" Capital Commitment Capital Account " means, with respect to each Capital Commitment Investment for each Member, the account maintained for such Member to which are credited such Member's contributions to the Company with respect to such Capital Commitment Investment and any net income allocated to such Member pursuant to Section 7.3 with respect to such Capital Commitment Investment and from which are debited any distributions with respect to such Capital Commitment Investment to such Member and any net losses allocated to such Member with respect to such Capital Commitment Investment pursuant to Section 7.3. In the case of any such distribution in kind, the Capital Commitment Capital Accounts for the related Capital Commitment Investment shall be adjusted as if the asset distributed had been sold in a taxable transaction and the proceeds distributed in cash, and any resulting gain or loss on such sale shall be allocated to the Members participating in such Capital Commitment Investment pursuant to Section 7.3.

" Capital Commitment Class A Interest " has the meaning set forth in Section 7.4(f).

" Capital Commitment Class B Interest " has the meaning set forth in Section 7.4(f).

" Capital Commitment Defaulting Party " has the meaning specified in Section 7.4(g)(ii).

" Capital Commitment Deficiency Contribution " has the meaning specified in Section 7.4(g)(ii).

" Capital Commitment Disposable Investment " has the meaning set forth in Section 7.4(f).

" Capital Commitment Distributions " means, with respect to each Capital Commitment Investment, all amounts of distributions, received by the Company with respect to such Capital Commitment Investment solely in respect of the Capital Commitment BCP V Interest, less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto, in each case which the Managing Member may allocate to all or any portion of such Capital Commitment Investment as it may determine in good faith is appropriate.

" Capital Commitment Giveback Amount " has the meaning set forth in Section 7.4(g).

" Capital Commitment Interest " means the interest of a Member in a specific Capital Commitment Investment as provided herein.

" Capital Commitment Investment " means any Capital Commitment BCP V Investment, but shall exclude any GP-Related Investment. The Managing Member shall determine who may participate in such Capital Commitment Investment.

" Capital Commitment Liquidating Share " with respect to each Capital Commitment Investment means, in the case of dissolution of the Company, the related Capital Commitment Capital Account of a Member (less amounts reserved in accordance with Section 9.3) as of the close of business on the effective date of dissolution.

" Capital Commitment Member Carried Interest " means, with respect to any Member, the aggregate amount of distributions or payments received by such Member (in any capacity) from Affiliates of the Company in respect of or relating to "carried interest". "Capital Commitment Member Carried Interest" includes any amount initially received by an Affiliate of the Company from any fund (including BCP, BCP II, BCP III, BCP IV and BCP V, any similar funds formed after the date hereof, and any other private equity merchant banking, real estate or mezzanine funds, whether or not in existence as of the date hereof) to which such Affiliate serves as general partner (or other similar capacity) that exceeds such Affiliate's pro rata share of distributions from such fund based upon capital contributions thereto (or the capital contributions to make the investment of such fund giving rise to such "carried interest").

" Capital Commitment Member Interest " means a Member's interest in the Company with respect to the Capital Commitment BCP V Interest.

" Capital Commitment Net Income (Loss) " with respect to each Capital Commitment Investment means all amounts of income received by the Company with respect to such Capital Commitment Investment, including without limitation gain or loss in respect of the disposition, in whole or in part, of such Capital Commitment Investment, less any costs, fees and expenses of the Company allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Company anticipated to be allocated thereto.

" Capital Commitment Profit Sharing Percentage " with respect to each Capital Commitment Investment means the percentage interest of a Member in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Company.

" Capital Commitment Recontribution Amount " has the meaning set forth in Section 7.4(g).

" Capital Commitment-Related Capital Contributions " has the meaning set forth in Section 7.1(a).

" Capital Commitment-Related Commitment , " with respect to any Member, means such Member's commitment to the Company relating to such Member's Capital Commitment Member Interest, as set forth in the books and records of the Company.

" Capital Commitment Special Distribution " has the meaning set forth in Section 7.7(a).

" Capital Commitment Value " has the meaning set forth in Section 7.5.

" Carried Interest " shall mean (i) " Carried Interest Distributions " as defined in the BCP V Partnership Agreement, and (ii) any other carried interest distribution to a Fund GP pursuant to any BCP V Agreement. In the case of each of (i) and (ii) above, except as determined by the Managing Member, the amount shall not be less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto (in each case which the Managing Member may allocate amongst all or any portion of the GP-Related Investments as it determines in good faith is appropriate).

" Carried Interest Give Back Percentage " shall mean, for any Member or Withdrawn Member, subject to Section 5.8(e), the percentage determined by dividing (A) the aggregate amount of distributions received by such Member or Withdrawn Member from the Company or any Other Fund GPs in respect of Carried Interest by (B) the aggregate amount of distributions made to all Members, Withdrawn Members or any other person by the Company or any Other Fund GP in respect of Carried Interest. For purposes of determining "Carried Interest Give Back Percentage" hereunder, all Trust Amounts contributed to the Trust by the Company or any Other Fund GPs on behalf of a Member or Withdrawn Member (but not the Trust Income thereon) shall be deemed to have been initially distributed or paid to the Members and Withdrawn Members as members of the Company or any of the Other Fund GPs.

" Carried Interest Sharing Percentage " means, with respect to each GP-Related Investment, the percentage interest of a Member in Carried Interest from such GP-Related Investment set forth in the books and records of the Company.

" Cause " means the occurrence or existence of any of the following with respect to any Member, as determined fairly, reasonably, on an informed basis and in good faith by the Managing Member: (i) (w) any breach by any Member of any provision of any non-competition agreement, (x) any material breach of this Agreement or any rules or regulations applicable to such Member that are established by the Managing Member, (y) such Member's deliberate failure to perform his or her duties to the Company, or (z) such Member's committing to or engaging in any conduct or behavior that is or may be harmful to the Company in a material way as determined by the Managing Member; *provided,* that in the case of any of the foregoing clauses (w), (x), (y) and (z), the Managing Member has given such Member written notice (a " Notice of Breach ") within fifteen days after the Managing Member becomes aware of such action and such

Member fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt of such Notice of Breach from the Managing Member (or such longer period, not to exceed an additional fifteen days, as shall be reasonably required for such cure, provided that such Member is diligently pursuing such cure); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Company; or (iii) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a regulatory body or by a self-regulatory body having authority with respect to securities laws, rules or regulations of the applicable securities industry, that such Member individually has violated any applicable securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Member's ability to function as a Member of the Company, taking into account the services required of such Member and the nature of the Company's business or (B) the business of the Company.

" Charitable Organization " means an organization described in Section 170(c) of the Code (without regard to Section 170(c)(2)(A) thereof).

" Clawback Adjustment Amount " has the meaning set forth in Section 5.8(e).

" Clawback Amount " shall mean the " Clawback Amount " as set forth in Article One of the BCP V Partnership Agreement and any other clawback amount payable to the limited partners of BCP V pursuant to any BCP V Agreement, as applicable.

" Clawback Provisions " shall mean paragraph 9.2.8 of the BCP V Partnership Agreement and any other similar provisions in any other BCP V Agreement existing heretofore or hereafter entered into.

" Code " means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute. Any reference herein to a particular provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

" Commitment Agreements " means the agreements between the Company and the Members, pursuant to which each Member undertakes certain obligations, including the obligation to make capital contributions pursuant to Sections 4.1 and 7.1 hereof. The Commitment Agreements are hereby incorporated by reference as between the Company and the relevant Member.

" Company " has the meaning set forth in the preamble hereto.

" Contingent " means subject to repurchase rights and/or other requirements.

The term " control " when used with reference to any person means the power to direct the management and policies of such person, directly or indirectly, by or through stock or other equity ownership, agency or otherwise, or pursuant to or in connection with an agreement, arrangement or understanding (written or oral) with one or more other persons by or through stock ownership, agency or otherwise; and the terms " *controlling* " and " *controlled* " shall have meanings correlative to the foregoing.

" Controlled Entity" when used with reference to another person means any person controlled by such other person.

" Deceased Member " shall mean any Member or Withdrawn Member who has died or who suffers from Incompetence. For purposes hereof, references to a Deceased Member shall refer collectively to the Deceased Member and the estate and heirs or legal representative of such Deceased Member, as the case may be, that have received such Deceased Member's interest in the Company.

" Default Interest Rate " shall mean the lower of (i) the sum of (a) the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A., as its prime rate and (b) 5%, or (ii) the highest rate of interest permitted under applicable law.

" Estate Planning Vehicle " has the meaning set forth in Section 6.3.

" Excess Holdback " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Holdback Percentage " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Tax-Related Amount " has the meaning set forth in Section 5.8(e).

" Existing Member " shall mean any Member who is neither a Retaining Withdrawn Member nor a Deceased Member.

" Final Event " means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or withdrawal from the Company of any person who is a Member.

" Firm Advances " has the meaning set forth in Section 7.1.

" Firm Collateral " shall mean a Member's or Withdrawn Member's interest in one or more partnerships or limited liability companies, in either case affiliated with the Company, and certain other assets of such Member or Withdrawn Member, in each case that has been pledged or made available to the Trustee(s) to satisfy all or any portion of the Excess Holdback of such Member or Withdrawn Member as more fully described in the Company's books and records; provided , that for all purposes hereof (and any other agreement (e.g. , the Trust Agreement) that incorporates the meaning of the term "Firm Collateral" by reference), references to "Firm Collateral" shall include "Special Firm Collateral", excluding references to "Firm Collateral" in Section 4.1(d)(v) and Section 4.1(d)(viii).

" Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(v)(B) with respect to Firm Collateral, and Section 4.1(d)(viii)(B) with respect to Special Firm Collateral.

" Fiscal Year " shall mean a calendar year, or any other period chosen by the Managing Member.

" Fund GP " means the Company (only with respect to the Company's GP-Related BMA V Member Interest) and the Other Fund GPs.

" GAAP " has the meaning specified in Section 5.1(a).

" Giveback Amount " shall mean the aggregate of the "Investment—Related Giveback Amount" and "Other Giveback Amount", as such terms are defined in the BCP V Partnership Agreement.

" Giveback Provisions " shall mean paragraph 3.4.3 of the BCP V Partnership Agreement and any other similar provisions in any other BCP V Agreement existing heretofore or hereafter entered into.

" GP-Related BCP V Investment " means the Company's indirect interest in BMA V's indirect interest in an Investment (for purposes of this definition, as defined in the BCP V Partnership Agreement) in BMA V's capacity as the general partner of BCP V, but does not include any Capital Commitment Investment.

" GP-Related BMA V Member Interest " means the interest of the Company as the sole member of Blackstone Management Associates V L.L.C.

" GP-Related Capital Account " has the meaning set forth in Section 5.2.

" GP-Related Capital Contribution " has the meaning set forth in Section 4.1(a).

" GP-Related Class A Interest " has the meaning set forth in Section 5.7(a).

" GP-Related Class B Interest " has the meaning set forth in Section 5.7(a).

" GP-Related Commitment " with respect to any Member means such Member's commitment to the Company relating to such Member's GP-Related Member Interest, as set forth in the books and records of the Company, including any such commitment set forth in such Member's Commitment Agreement or SMD Agreement.

" GP-Related Defaulting Party " has the meaning set forth in Section 5.7(d)(ii).

" GP-Related Deficiency Contribution " has the meaning set forth in Section 5.7(d)(ii).

" GP-Related Disposable Investment " has the meaning set forth in Section 5.7(a).

" GP-Related Giveback Amount " has the meaning set forth in Section 5.7(d)(i).

" GP-Related Investment " means any investment (direct or indirect) of the Company in respect of the Company's GP-Related BMA V Member Interest (including, without limitation, any GP-Related BCP V Investment).

" GP-Related Member Interest " of a Member means all interests of such Member in the Company (other than such Member's Capital Commitment Member Interest), including, without limitation, such Member's interest in the Company with respect to the Company's GP-Related BMA V Member Interest and with respect to all GP-Related Investments.

" GP-Related Net Income (Loss) " has the meaning set forth in Section 5.1(b).

" GP-Related Profit Sharing Percentage " means the "Carried Interest Sharing Percentage" and "Non-Carried Interest Sharing Percentage" of each Member; provided that any references in this Agreement to GP-Related Profit Sharing Percentages made (a) in connection with voting or voting rights or (b) GP-Related Capital Contributions with respect to GP-Related Investments

(including Section 5.3(b)) shall mean the "Non-Carried Interest Sharing Percentage" of each Member; provided further that, the term "GP-Related Profit Sharing Percentage" shall not include any Capital Commitment Profit Sharing Percentage.

" GP-Related Recontribution Amount " has the meaning set forth in Section 5.7(d)(i).

" GP-Related Required Amounts " has the meaning set forth in Section 4.1(a).

" GP-Related Unallocated Percentage " has the meaning set forth in Section 5.3(b).

" GP-Related Unrealized Net Income (Loss) " attributable to any GP-Related BCP V Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the Company with respect to such GP-Related BCP V Investment if BCP V's entire portfolio of investments were sold on such date for cash in an amount equal to their aggregate value on such date (determined in accordance with Section 5.1(e)) and all distributions payable by BCP V to the Company (indirectly through the general partner of BCP V) pursuant to the BCP V Partnership Agreement with respect to such GP-Related BCP V Investment were made on such date. "GP-Related Unrealized Net Income (Loss)" attributable to any other GP-Related Investment (other than a Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Company with respect to such GP-Related Investment if such GP-Related Investment were sold on such date for cash in an amount equal to its value on such date (determined in accordance with Section 5.1(e)).

" Holdback " has the meaning set forth in Section 4.1(d)(i).

" Holdback Percentage " has the meaning set forth in Section 4.1(d)(i).

" Holdback Vote " has the meaning set forth in Section 4.1(d)(iv)(A).

" Holdings " has the meaning set forth in the preamble hereto.

" Incompetence " means, with respect to any Member, the determination by the Managing Member in its sole discretion, after consultation with a qualified medical doctor, that such Member is incompetent to manage his person or his property.

" Inflation Index " means (i) the GNP deflator, which is the fixed-weighted price index representing the average change in the United States gross national product as published in the Survey of Current Business by the National Income and Wealth Division of the Bureau of Economic Analysis of the U.S. Department of Commerce, or (ii) such other index measuring changes in economic prices in the United States as shall be selected by the Managing Member.

" Initial Holdback Percentages " has the meaning set forth in Section 4.1(d)(i).

" Interest " means a limited liability company interest (as defined in § 18-101(8) of the LLC Act) in the Company, including those that are held by a Retaining Withdrawn Member and including any Member's GP-Related Member Interest and Capital Commitment Member Interest.

" Investment " means any investment (direct or indirect) of the Company designated by the Managing Member from time to time as an investment in which the Members' respective interests shall be established and accounted for on a basis separate from the Company's other businesses, activities and investments, including (a) GP-Related Investments, and (b) Capital Commitment Investments.

" Investor Note " means a promissory note of a Member evidencing indebtedness incurred by such Member to purchase a Capital Commitment Interest, the terms of which were or are approved by the Managing Member and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Member and all other interests in BFIP and interests in BFREP, BFMEZP and BFCOMP; provided , that such promissory note may also evidence indebtedness relating to other interests in BFIP and interests in BFREP, BFMEZP and BFCOMP, and such indebtedness shall be prepayable with Capital Commitment Net Income (whether or not such indebtedness relates to Capital Commitment Investments) as set forth in this Agreement, the Investor Note, the other BFIP Agreements and the BFREP Agreements, BFMEZP Agreements and BFCOMP Agreements and any documentation relating to Other Sources; provided further , that references to "Investor Notes" herein refer to multiple loans made pursuant to such note, whether made with respect to Capital Commitment Investments, other BFIP Investments, BFREP Investments, BFMEZP Investments or BFCOMP Investments, and references to an "Investor Note" refer to one such loan as the context requires. In no way shall any indebtedness incurred to acquire Capital Commitment Interests, other interests in BFIP or interests in BFREP, BFMEZP or BFCOMP be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

" Investor Special Member " means any Special Member so designated at the time of its admission by the Managing Member as a Member of the Company.

" Issuer " means the issuer of any Security comprising part of an Investment.

" L/C " has the meaning set forth in Section 4.1(d)(vi).

" L/C Member " has the meaning set forth in Section 4.1(d)(vi).

" LLC Act " means the Delaware Limited Liability Company Act, 6 Del.C. § 18-101, et seq. , as it may be amended from time to time, and any successor to such Act.

" Lender or Guarantor " means Holdings, in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Company that makes or guarantees loans to enable a Member to acquire Capital Commitment Interests, other interests in BFIP or interests in BFREP, interests in BFMEZP or interests in BFCOMP.

" Loss Amount " has the meaning set forth in Section 5.8(e).

" Loss Investment " has the meaning set forth in Section 5.8(e).

" Majority in Interest of the Members " on any date (a " vote date ") means one or more persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date and who, as of the last day of the most recent accounting period ending on or prior to the vote date (or as of such later date on or prior to the vote date selected by the Managing Member as of which the Members' capital account balances can be determined), have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date.

" Managing Member " has the meaning specified in the preamble hereto.

" Member " means any person who is a member of the Company, including the Regular Members, the Managing Member and the Special Members. Except as otherwise specifically provided herein, no group of Members, including the Special Members and any group of Members in the same Member Category, shall have any right to vote as a class on any matter relating to the Company, including, but not limited to, any merger, reorganization, dissolution or liquidation.

" Member Category " shall mean the Managing Member, Existing Members, Retaining Withdrawn Members or Deceased Members, each referred to as a group for purposes hereof.

" Moody's " means Moody's Investors Services, Inc., or any successor thereto.

" Net Carried Interest Distribution " has the meaning set forth in Section 5.8(e).

" Net Carried Interest Distribution Recontribution Amount " has the meaning set forth in Section 5.8(e).

" Net GP-Related Recontribution Amount " has the meaning set forth in Section 5.8(c)(i).

" Non-Carried Interest " means, with respect to each GP-Related Investment, all amounts of distributions, other than Carried Interest and other than Capital Commitment Distributions, received by the Company with respect to such GP-Related Investment, less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto, in each case which the Managing Member may allocate to all or any portion of the GP-Related Investments as it may determine in good faith is appropriate.

" Non-Carried Interest Sharing Percentage " means, with respect to each GP-Related Investment, the percentage interest of a Member in Non-Carried Interest from such GP-Related Investment set forth in the books and records of the Company.

" Non-Contingent " means generally not subject to repurchase rights or other requirements.

" Nonvoting Special Member " has the meaning set forth in Section 6.1(a).

" Other Fund GPs " means BMA V, BCA V and any other entity (other than the Company) through which any Member or Withdrawn Member directly receives any amounts of Carried Interest and any successor thereto; provided , that this includes any other entity which has in its organizational documents a provision which indicates that it is a "Fund GP" or an "Other Fund GP"; provided further , that notwithstanding any of the foregoing, none of Holdings, the general partner of BCA V, any estate planning vehicle established for the benefit of family members of any Member nor any partner of BCA V shall be considered a "Fund GP" for purposes hereof.

" Other Sources " means (i) distributions or payments of Capital Commitment Member Carried Interest (which shall include amounts of Capital Commitment Member Carried Interest which are not distributed or paid to a Member but are instead contributed to a trust (or similar arrangement) to satisfy any "holdback" obligation with respect thereto), and (ii) distributions from BFIP (other than from the Company), BFREP, BFMEZP and BFCOMP to such Member.

" Parallel Fund " means any additional collective investment vehicles (or other similar arrangements) formed pursuant to paragraph 2.8 of the BCP V Partnership Agreement.

" Prime Rate " means the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A. as its prime rate.

" Qualifying Fund " means any fund designated by the Managing Member as a "Qualifying Fund".

" Regular Member " shall mean any Member, excluding the Managing Member and any Special Members.

" Repurchase Period " has the meaning set forth in Section 5.8(b).

" Required Rating " has the meaning set forth in Section 4.1(d)(vi).

" Retained Portion " has the meaning set forth in Section 7.6.

" Retaining Withdrawn Member " shall mean a Withdrawn Member who has retained a GP-Related Member Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Member shall be considered a Nonvoting Special Member for all purposes hereof.

" Securities " means any debt or equity securities of an Issuer and its subsidiaries and other Controlled Entities constituting part of an Investment, including without limitation common and preferred stock, interests in limited partnerships and interests in limited liability companies (including warrants, rights, put and call options and other options relating thereto or any combination thereof), notes, bonds, debentures, trust receipts and other obligations, instruments or evidences of indebtedness, choses in action, other property or interests commonly regarded as securities, interests in real property, whether improved or unimproved, interests in oil and gas properties and mineral properties, short-term investments commonly regarded as money-market investments, bank deposits and interests in personal property of all kinds, whether tangible or intangible.

" Settlement Date " has the meaning set forth in Section 6.5(a).

" SMD Agreements " means the agreements between the Company and/or one or more of its affiliates and the Members, pursuant to which each Member undertakes certain obligations with respect to the Company and/or its affiliates. The SMD Agreements are hereby incorporated by reference as between the Company and the relevant Member.

" Special Firm Collateral " means interests in a Qualifying Fund or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) as more fully described in the Company's books and records.

" Special Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(viii).

" Special Member " means any person shown on the books and records of the Company as a Special Member of the Company, including any Nonvoting Special Member and any Investor Special Member.

" S&P " means Standard & Poor's Ratings Group, and any successor thereto.

" Subject Investment " has the meaning set forth in Section 5.8(e).

" Subject Member " has the meaning set forth in Section 4.1(d)(iv).

" Total Disability " means the inability of a Member substantially to perform the services required of a Regular Member for a period of six consecutive months by reason of physical or mental illness or incapacity and whether arising out of sickness, accident or otherwise.

" Trust Account " has the meaning set forth in the Trust Agreement.

" Trust Agreement " means the Trust Agreement, dated as of October 14, 2005,as amended to date, among the Members, the Trustee(s) and certain other persons that may receive distributions in respect of or relating to Carried Interest from time to time.

" Trust Amount " has the meaning set forth in the Trust Agreement.

" Trust Income " has the meaning set forth in the Trust Agreement.

" Trustee(s) " has the meaning set forth in the Trust Agreement.

" Unadjusted Carried Interest Distribution " has the meaning set forth in Section 5.8(e).

" Unallocated Capital Commitment Interests " has the meaning set forth in Section 8.1(f).

" Withdraw " or " Withdrawal " with respect to a Member means a Member ceasing to be a member of the Company (except as a Retaining Withdrawn Member) for any reason (including death, disability, removal, resignation or retirement, whether such is voluntary or involuntary), unless the context shall limit the type of withdrawal to a specific reason, and "Withdrawn" with respect to a Member means, as aforesaid, a Member who has ceased to be a member of the Company.

" Withdrawal Date " means the date of Withdrawal from the Company of a Withdrawn Member.

" Withdrawn Member " means a Member whose interest in the Company has been terminated for any reason, including the occurrence of an event specified in Section 6.2, and shall include, unless the context requires otherwise, the estate or legal representatives of any such Member.

1.2. Terms Generally . The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The term "person" includes individuals, partnerships (including limited liability partnerships), companies (including limited liability companies), joint ventures, corporations, trusts, governments (or agencies or political subdivisions thereof) and other associations and entities. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

GENERAL PROVISIONS

2.1. Managing, Regular and Special Members . The Members may be Managing Members, Regular Members or Special Members (including Investor Special Members). The Managing Member as of the date hereof is Holdings and the Regular Members as of the date hereof are those persons shown as Regular Members on the signature pages hereof, and the Special Members as of the date hereof are persons shown as Special Members on the signature pages hereof. The books and records of the Company contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each such Member with respect to the GP-Related Investments of the Company as of the date hereof. The books and records of the Company contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment of each such Member with respect to the Capital Commitment Investments of the Company as of the date hereof. The books and records of the Company shall be amended by the Managing Member from time to time to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Company of GP-Related Investments, dispositions by the Company of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Members, as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Members, as modified from time to time, the admission and withdrawal of Members and the transfer or assignment of interests in the Company pursuant to the terms of this Agreement. At the time of admission of each additional Member, the Managing Member shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Member shall participate and such Member's GP-Related Commitment, Capital Commitment-Related Commitment, GP-Related Profit Sharing Percentage with respect to each such GP-Related Investment and Capital Commitment Profit Sharing Percentage with respect to each such Capital Commitment Investment. Each Member may have a GP-Related Member Interest and a Capital Commitment Member Interest.

2.2. Formation; Name; Foreign Jurisdictions . The Company is hereby continued as a limited liability company pursuant to the LLC Act and shall continue to conduct its activities under the name of BMA V L.L.C. The certificate of formation of the Company may be amended and/or restated from time to time by the Managing Member, as an "authorized person" (within the meaning of the LLC Act). The Managing Member is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

2.3. Term . The term of the Company shall continue until December 31, 2055, unless earlier dissolved and its affairs wound up in accordance with this Agreement.

2.4. Purposes; Powers . (a) The purposes of the Company shall be, directly or indirectly through subsidiaries or affiliates, (i) to serve as the sole member of BMA V and perform the functions of a member of BMA V specified in the BMA V LLC Agreement and to invest in GP-Related Investments and acquire and invest in Securities, (ii) to serve as a capital partner of BCP V (including any Alternative Investment Vehicle and any Parallel Fund) and perform the functions of a limited partner of BCP V (including any Alternative Investment Vehicle and any Parallel Fund) specified in the BCP V Agreements, (iii) to make the Blackstone Capital Commitment or a portion thereof, either directly or indirectly through BMA V, and to invest in Capital Commitment Investments and acquire and invest in Securities or other property (directly or indirectly through BCP V (including any Alternative Investment Vehicle and any Parallel Fund), (iv) to serve as a general partner or limited partner of other partnerships and perform the functions of a general partner or limited partner specified in the respective partnership agreements, as amended, supplemented or otherwise modified from time to time, of any such partnership, (v) to serve as a member of limited liability companies and perform the functions of a member specified

in the respective limited liability company agreements, as amended, supplemented or otherwise modified from time to time, of any such limited liability company, (vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the Managing Member and as are permitted under the LLC Act, the BMA V LLC Agreement, the BCP V Agreements, the respective partnership agreements, as amended, supplemented or otherwise modified from time to time, of any partnership referred to in clause (v) above and the respective limited liability company agreements, as amended, supplemented or otherwise modified from time to time, of any limited liability company referred to in clause (v) above, (vii) any other lawful purpose, and (viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the Company shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, as principal or agent, including the following:

(i) to be and become a general or limited partner of partnerships, a member of limited liability companies, a holder of common and preferred stock of corporations and/or an investor in the foregoing entities or other entities, in connection with the making of Investments or the acquisition, holding or disposition of Securities or other property or as otherwise deemed appropriate by the Managing Member in the conduct of the Company's business, and to take any action in connection therewith;

(ii) to acquire and invest in general or limited partner interests, in limited liability company interests, in common and preferred stock of corporations and/or in other interests in or obligations of the foregoing entities or other entities and in Investments and Securities or other property or direct or indirect interests therein, whether such Investments and Securities or other property are readily marketable or not, and to receive, hold, sell, dispose of or otherwise transfer any such partner interests, limited liability company interests, stock, interests, obligations, Investments or Securities or other property and any dividends and distributions thereon and to purchase and sell, on margin, and be long or short, futures contracts and to purchase and sell, and be long or short, options on futures contracts;

(iii) to buy, sell and otherwise acquire investments, whether such investments are readily marketable or not;

(iv) to invest and reinvest the cash assets of the Company in money-market or other short-term investments;

(v) to hold, receive, mortgage, pledge, lease, transfer, exchange or otherwise dispose of, grant options with respect to, and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to, all property held or owned by the Company;

(vi) to borrow or raise money from time to time and to issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and non-negotiable instruments and evidences of indebtedness, to secure payment of the principal of any such indebtedness and the interest thereon by mortgage, pledge, conveyance or assignment in trust of, or the granting of a security interest in, the whole or any part of the property of the Company, whether at the time owned or thereafter acquired, to guarantee the obligations of others and to buy, sell, pledge or otherwise dispose of any such instrument or evidence of indebtedness;

(vii) to lend any of its property or funds, either with or without security, at any legal rate of interest or without interest;

(viii) to have and maintain one or more offices within or without the State of Delaware, and in connection therewith, to rent or acquire office space, engage personnel and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(ix) to open, maintain and close accounts, including margin accounts, with brokers;

(x) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys;

(xi) to engage accountants, auditors, custodians, investment advisers, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate any of them as may be necessary or advisable;

(xii) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, to form or cause to be formed and to participate in partnerships and joint ventures, whether foreign or domestic and to form or cause to be formed and be a member or manager or both of one or more limited liability companies;

(xiii) to enter into, make and perform all contracts, agreements and other undertakings as may be necessary, convenient, advisable or incident to carrying out its purposes;

(xiv) to sue and be sued, to prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment to claims against the Company, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xv) to distribute, subject to the terms of this Agreement, at any time and from time to time to the Members cash or investments or other property of the Company, or any combination thereof; and

(xvi) to take such other actions necessary, desirable, convenient or incidental thereto and to engage in such other businesses as may be permitted under Delaware law.

2.5. Place of Business . The Company shall maintain a registered office at The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The Company shall maintain an office and principal place of business at such place or places as the Managing Member specifies from time to time and as set forth in the books and records of the Company. The name and address of the Company's registered agent is The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The Managing Member may from time to time change the registered agent or office by an amendment to the certificate of formation of the Company.

ARTICLE III

MANAGEMENT

3.1. Managing Member . (a) Holdings shall be an original managing member (the " Managing Member "). The Managing Member shall cease to be the Managing Member only if it (i)

Withdraws from the Company for any reason, (ii) consents in its sole discretion to resign as the Managing Member, or (iii) becomes the subject of a Final Event. The Managing Member may not be removed without its consent. There may be one or more Managing Members. In the event that one or more other Managing Members is admitted to the Company as such, all references herein to the "Managing Member" in the singular form shall be deemed to also refer to such other Managing Members as may be appropriate. The relative rights and responsibilities of such Managing Members will be as agreed upon from time to time between them.

(b) Upon the Withdrawal from the Company or voluntary resignation of the last remaining Managing Member, all of the powers formerly vested therein pursuant to this Agreement and the LLC Act shall be exercised by a Majority in Interest of the Members.

3.2. Member Voting, etc . (a) Meetings of the Members may be called only by the Managing Member.

(b) Except as otherwise expressly provided herein and except as may be expressly required by the LLC Act, Special Members as such shall have no right to, and shall not, take part in the management or control of the Company's business or act for or bind the Company, and shall have only the rights and powers granted to Special Members herein.

(c) To the extent a Member is entitled to vote with respect to any matter relating to the Company, such Member shall not be obligated to abstain from voting on any matter (or vote in any particular manner) because of any interest (or conflict of interest) of such Member (or any affiliate thereof) in such matter.

3.3. Management . (a) The management, control and operation of the Company and the formulation and execution of business and investment policy shall be vested in the Managing Member. The Managing Member shall, in its discretion, exercise all powers necessary and convenient for the purposes of the Company, including those enumerated in Section 2.4, on behalf and in the name of the Company. All decisions and determinations (howsoever described herein) to be made by the Managing Member pursuant to this Agreement shall be made in its sole discretion, subject only to the express terms and conditions of this Agreement.

(b) Notwithstanding any provision in this Agreement to the contrary, the Company is hereby authorized, without the need for any further act, vote or consent of any person (directly or indirectly through one or more other entities, in the name and on behalf of the Company, on its own behalf or in its capacity as sole member of BMA V on BMA V's own behalf or in BMA V's capacity as general partner of BCP V, BFIP V or BPP V or as general or limited partner, member or other equity owner of any Blackstone Entity (as hereinafter defined)) (i) to execute and deliver, and to perform the Company's obligations under, the BMA V LLC Agreement, including, without limitation, serving as sole member of BMA V, (ii) to execute and deliver, and to cause BMA V to perform BMA V's obligations under the BCP V Agreements, the BFIP V Partnership Agreement and the BPP V Partnership Agreement, including, without limitation, serving as a general partner of BCP V, BFIP V and BPP V, (iii) to execute and deliver, and to cause BMA V to perform BMA V's obligations under, the governing agreement, as amended, restated and/or supplemented (each a " Blackstone Entity Governing Agreement "), of any other partnership, limited liability company or other entity (each a " Blackstone Entity ") of which BMA V is to become a general or limited partner, member or other equity owner, including without limitation, serving as a general or limited partner, member or other equity owner of each Blackstone Entity, and (iv) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the BMA V LLC Agreement, the BCP V Agreements, the BFIP V Partnership Agreement, the BPP V Partnership Agreement or each Blackstone Entity Governing Agreement (and any amendment, restatement and/or supplement of any of the foregoing).

(c) The Managing Member and any other person designated by the Managing Member, each acting individually, is hereby authorized and empowered, as an authorized person of the Company or an authorized person of the Managing Member, in each case within the meaning of the Act, or otherwise (the Managing Member hereby authorizing and ratifying any of the following actions):

(i) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company, on its own behalf or in its capacity as sole member of BMA V on BMA V's own behalf or in BMA V's capacity as general partner of BCP V, BFIP V or BPP V or as general or limited partner, member or other equity owner of any Blackstone Entity), any of the following:

(A) any agreement, certificate, instrument or other document of the Company, BMA V, BCP V, BFIP V, BPP V or any Blackstone Entity (and any amendments, restatements and/or supplements thereof), including, without limitation, the following: (I) the BMA V LLC Agreement, the BCP V Agreements, the BFIP V Partnership Agreement, the BPP V Partnership Agreement and each Blackstone Entity Governing Agreement, (II) Subscription Agreements on behalf of BCP V, (III) side letters issued in connection with investments in BCP V, and (IV) such other agreements, instruments, certificates and other documents as may be necessary or desirable in furtherance of the Company's, BMA V's, BCP V's, BFIP V's, BPP V's or any Blackstone Entity's purposes (and any amendments, restatements and/or supplements of any of the foregoing referred to in (I) through (IV) hereof);

(B) the certificates of formation, certificates of limited partnership and/or other organizational documents of the Company, BMA V, BCP V, BFIP V, BPP V and any Blackstone Entity (and any amendments, restatements and/or supplements thereof); and

(C) any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Company, BMA V, BCP V, BFIP V, BPP V or any Blackstone Entity to qualify to do business in a jurisdiction in which the Company, BMA V, BCP V, BFIP V, BPP V or any Blackstone Entity desires to do business;

(ii) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company, on its own behalf or in its capacity as sole member of BMA V on its own behalf or in its capacity as general partner of BCP V, BFIP V or BPP V or as general or limited partner, member or other equity owner of any Blackstone Entity) (A) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of the Company, BMA V, BCP V, BFIP V, BPP V and/or any Blackstone Entity, (B) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of the Company, BMA V, BCP V, BFIP V, BPP V or any Blackstone Entity or any banking facilities or services that may be utilized by the Company, BMA V, BCP V, BFIP V, BPP V or any

Blackstone Entity, and all checks, notes, drafts and other documents of the Company, BMA V, BCP V, BFIP V, BPP V or any Blackstone Entity that may be required in connection with any such bank account, banking facilities or services, (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(c), each acting individually, shall be deemed to have been adopted by the Managing Member, any one or more Managers, the Company, BMA V, BCP V, BFIP V, BPP V or any Blackstone Entity, as applicable, for all purposes).

The authority granted to any person (other than the Managing Member) in this Section 3.3(c) may be revoked at any time by the Managing Member by an instrument in writing signed by the Managing Member.

3.4. Responsibilities of Members . (a) Unless otherwise determined by the Managing Member in a particular case, each Regular Member shall devote substantially all his time and attention to the businesses of the Company and its affiliates, and each Special Member shall not be required to devote any time or attention to the businesses of the Company or its affiliates.

(b) All outside business or investment activities of the Members (including outside directorships or trusteeships) shall be subject to such rules and regulations as are established by the Managing Member from time to time.

(c) The Managing Member may from time to time establish such other rules and regulations applicable to Members or other employees as the Managing Member deems appropriate, including rules governing the authority of Members or other employees to bind the Company to financial commitments or other obligations.

3.5. Exculpation and Indemnification . (a) Liability to Members . Notwithstanding any other provision of this Agreement, whether express or implied, to the fullest extent permitted by law, no Member nor any of such Member's representatives, agents or advisors nor any partner, member, officer, employee, representative, agent or advisor of the Company or any of its Affiliates (individually, a " Covered Person " and collectively, the " Covered Persons ") shall be liable to the Company or any other Member for any act or omission (in relation to the Company, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) taken or omitted by a Covered Person (other than any act or omission constituting Cause), unless there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful. Each Covered Person shall be entitled to rely in good faith on the advice of legal counsel to the Company, accountants and other experts or professional advisors, and no action taken by any Covered Person in reliance on such advice shall in any event subject such person to any liability to any Member or the Company. To the extent that, at law or in equity, a Member has duties (including fiduciary duties) and liabilities relating thereto to the Company or to another Member, to the fullest extent permitted by law, such Member acting under this Agreement shall not be liable to the Company or to any such other Member for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of a Member otherwise existing at law or in equity, are agreed by the Members, to the fullest extent permitted by law, to modify to that extent such other duties and liabilities of such Member.

(b) Indemnification . To the fullest extent permitted by law, the Company shall indemnify and hold harmless (but only to the extent of the Company's assets (including, without

limitation, the remaining capital commitments of the Members) each Covered Person from and against any and all claims, damages, losses, costs, expenses and liabilities (including, without limitation, amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim), joint and several, of any nature whatsoever, known or unknown, liquidated or unliquidated (collectively, " Losses "), arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of such Covered Person's management of the affairs of the Company or which relate to or arise out of or in connection with the Company, its property, its business or affairs (other than claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, arising out of any act or omission of such Covered Person constituting Cause); provided , that a Covered Person shall not be entitled to indemnification under this Section with respect to any claim, issue or matter if there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interest of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful; provided further , that if such Covered Person is a Member or a Withdrawn Member, such Covered Person shall bear its share of such Losses in accordance with such Covered Person's GP-Related Profit Sharing Percentage in the Company as of the time of the actions or omissions that gave rise to such Losses. To the fullest extent permitted by law, expenses (including legal fees) incurred by a Covered Person (including, without limitation, the Managing Member) in defending any claim, demand, action, suit or proceeding may, with the approval of the Managing Member, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of a written undertaking by or on behalf of the Covered Person to repay such amount to the extent that it shall be subsequently determined that the Covered Person is not entitled to be indemnified as authorized in this Section, and the Company and its Affiliates shall have a continuing right of offset against such Covered Person's interests/investments in the Company and such Affiliates and shall have the right to withhold amounts otherwise distributable to such Covered Person to satisfy such repayment obligation. If a Member institutes litigation against a Covered Person which gives rise to an indemnity obligation hereunder, such Member shall be responsible, up to the amount of such Member's Interests and remaining capital commitment, for such Member's pro rata share of the Company's expenses related to such indemnity obligation, as determined by the Managing Member. The Company may purchase insurance, to the extent available at reasonable cost, to cover losses, claims, damages or liabilities covered by the foregoing indemnification provisions. Members will not be personally obligated with respect to indemnification pursuant to this Section.

3.6. Representations of Members . (a) Each Regular and Special Member by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the LLC Act) represents and warrants to every other Member and to the Company, except as may be waived by the Managing Member, that such Member is acquiring each of such Member's Interests for such Member's own account for investment and not with a view to resell or distribute the same or any part hereof, and that no other person has any interest in any such Interest or in the rights of such Member hereunder; *provided*, that a Member may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Regular and Special Member represents and warrants that such Member understands that the Interests have not been registered under the Securities Act of 1933 and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Member must bear the economic risk of an investment in the Company for an indefinite period of time. Each Regular and Special Member represents that such Member has such knowledge and experience in financial and business matters, that such Member is capable of evaluating the merits and risks of an investment in the Company, and that

such Member is able to bear the economic risk of such investment. Each Regular and Special Member represents that such Member's overall commitment to the Company and other investments which are not readily marketable is not disproportionate to the Member's net worth and the Member has no need for liquidity in the Member's investment in Interests. Each Regular and Special Member represents that to the full satisfaction of the Member, the Member has been furnished any materials that such Member has requested relating to the Company, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Company concerning the terms and conditions of the offering of Interests and any matters pertaining to each Investment and to obtain any other additional information relating thereto. Each Regular and Special Member represents that the Member has consulted to the extent deemed appropriate by the Member with the Member's own advisers as to the financial, tax, legal and related matters concerning an investment in Interests and on that basis believes that an investment in the Interests is suitable and appropriate for the Member. Each Regular and Special Member (other than BCA V) represents that such Member is a "qualified purchaser" (as such term is used in the Investment Company Act of 1940, as amended (the " 1940 Act ")), for purposes, among other things, of Section 3(c)(7) of the 1940 Act.

(b) Each Regular and Special Member agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Member (1) makes a capital contribution to the Company (whether as a result of Firm Advances made to such Member or otherwise) with respect to any Investment, and such Member hereby agrees that such capital contribution shall serve as confirmation thereof and/or (2) repays any portion of the principal amount of a Firm Advance, and such Member hereby agrees that such repayment shall serve as confirmation thereof.

3.7. Tax Information . Each Regular and Special Member certifies that (A) if the Member is a United States person (as defined in the Code) (x) (i) the Member's name, social security number (or, if applicable, employer identification number) and address provided to the Company and its affiliates pursuant to an IRS Form W-9, Payer's Request for Taxpayer Identification Number Certification (" W-9 ") or otherwise are correct and (ii) the Member will complete and return a W-9, and (y) (i) the Member is a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of a change to foreign (non-United States) status or (B) if the Member is not a United States person (as defined in the Code) (x) (i) the information on the completed IRS Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding (" W-8BEN ") or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Partnership, or Certain U.S. Branches for United States Tax Withholding (" W-8IMY "), or otherwise is correct and (ii) the Member will complete and return the applicable IRS form, including but not limited to a W-8BEN or W-8IMY, and (y) (i) the Member is not a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of any change of such status. The Member agrees to properly execute and provide to the Company in a timely manner any tax documentation that may be reasonably required by the Company or the Managing Member.

ARTICLE IV

CAPITAL OF THE COMPANY

4.1. Capital Contributions by Members . (a) Except as agreed by the Managing Member and a Regular Member, such Regular Member shall not be required to make capital contributions to the Company (" GP-Related Capital Contributions ") at such times and in such amounts (the " GP-Related Required Amounts ") as are required to satisfy the Company's obligation to make capital contributions to BMA V in respect of the GP-Related BMA V Member Interest to fund BMA V's capital contribution in respect of any GP-Related BCP V Investment and as are otherwise determined by the Managing Member from time to time; provided , that additional GP-Related Capital Contributions in

excess of the GP-Related Required Amounts may be made pro rata among the Regular Members based upon each Regular Member's Carried Interest Sharing Percentage. GP-Related Capital Contributions in excess of the GP-Related Required Amounts which are to be used for ongoing business operations (as distinct from financing, legal or other specific liabilities of the Company (including those specifically set forth in Sections 4.1(d) and 5.8(d)) shall be determined by the Managing Member. Special Members shall not be required to make additional GP-Related Capital Contributions to the Company in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Special Member's GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided , that the Managing Member and any Special Member may agree from time to time that such Special Member shall make an additional GP-Related Capital Contribution to the Company; provided further , that each Investor Special Member shall maintain its GP-Related Capital Accounts at an aggregate level equal to the product of (i) its GP-Related Profit Sharing Percentage from time to time and (ii) the total capital of the Company.

(b) Each GP-Related Capital Contribution by a Member shall be credited to the appropriate GP-Related Capital Account of such Member in accordance with Section 5.2.

(c) The Managing Member may elect on a case by case basis to (i) cause the Company to loan any Member (including any additional Member admitted to the Company pursuant to Section 6.1 but excluding any Members that are also executive officers of The Blackstone Group L.P.) the amount of any GP-Related Capital Contribution required to be made by such Member or (ii) permit any Member (including any additional Member admitted to the Company pursuant to Section 6.1) to make a required GP-Related Capital Contribution to the Company in installments, in each case on terms determined by the Managing Member.

(d) (i) The Members and the Withdrawn Members have entered into the Trust Agreement, pursuant to which certain amounts of Carried Interest will be paid to the Trustee(s) for deposit in the Trust Account (such amounts to be paid to the Trustee(s) for deposit in the Trust Account constituting a " Holdback "). The Managing Member shall determine, as set forth below, the percentage of Carried Interest that shall be withheld for each Member Category (such withheld percentage constituting such Member Category's " Holdback Percentage "). The applicable Holdback Percentages initially shall be 0% for the Managing Member, 15% for Existing Members (other than the Managing Member), 21% for Retaining Withdrawn Members and 24% for Deceased Members (the " Initial Holdback Percentages ").

(ii) The Holdback Percentage may not be reduced for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may only reduce the Holdback Percentages among the Member Categories on a proportionate basis. For example, if the Holdback Percentage for Existing Members is decreased to 12.5%, the Holdback Percentage for Retaining Withdrawn Members and Deceased Members shall be reduced to 17.5% and 20%, respectively. Any reduction in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such reduction.

(iii) The Holdback Percentage may not be increased for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may not increase the Retaining Withdrawn Members' Holdback Percentage beyond 21% unless the Managing Member concurrently increases the Existing Members' Holdback Percentage to the Holdback Percentage of the Retaining Withdrawn Members. The Managing Member may not increase the Deceased Members' Holdback Percentage beyond 24% unless the Managing Member increases the Holdback Percentage for both Existing Members and Retaining Withdrawn Members to 24%. The Managing Member may not increase the Holdback Percentage of any Member Category beyond 24% unless such

increase applies equally to all Member Categories. Any increase in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such increase. The foregoing shall in no way prevent the Managing Member from proportionately increasing the Holdback Percentage of any Member Category (following a reduction of the Holdback Percentages below the Initial Holdback Percentages), if the resulting Holdback Percentages are consistent with the above. For example, if the Managing Member reduces the Holdback Percentages for Existing Members, Retaining Withdrawn Members and Deceased Members to 12.5%, 17.5% and 20%, respectively, the Managing Member shall have the right to subsequently increase the Holdback Percentages to the Initial Holdback Percentages.

(iv) (A) Notwithstanding anything contained herein to the contrary, the Company may increase or decrease the Holdback Percentage for any Member in any Member Category (in such capacity, the " Subject Member ") pursuant to a majority vote of the Regular Members (a " Holdback Vote "); provided , that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to the Managing Member shall not be increased or decreased without its prior written consent; provided further , that a Subject Member's Holdback Percentage shall not be (I) increased prior to such time as such Subject Member (x) is notified by the Company of the decision to increase such Subject Member's Holdback Percentage and (y) has, if requested by such Subject Member, been given 30 days to gather and provide information to the Company for consideration before a second Holdback Vote (requested by the Subject Member) or (II) decreased unless such decrease occurs subsequent to an increase in a Subject Member's Holdback Percentage pursuant to a Holdback Vote under this clause (iv); provided further , that such decrease shall not exceed an amount such that such Subject Member's Holdback Percentage is less than the prevailing Holdback Percentage for the Member Category of such Subject Member; provided further , that a Member shall not vote to increase a Subject Member's Holdback Percentage unless such voting Member determines, in his good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Member, or any of his successors or assigns (including his estate or heirs) who at the time of such vote holds the Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Company meeting. Each Regular Member shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Regular Member's interest in the Company. Such vote may be cast by any Regular Member in person or by proxy.

(C) If the result of the second Holdback Vote is an increase in a Subject Member's Holdback Percentage, such Subject Member may submit the decision to an arbitrator, the identity of which is mutually agreed upon by both the Subject Member and the Company; provided , that if the Company and the Subject Member cannot agree upon a mutually satisfactory arbitrator within 10 days of the second Holdback Vote, each of the Company and the Subject Member shall request their candidate for arbitrator to select a third arbitrator satisfactory to such candidates; provided further , that if such candidates fail to agree upon a mutually satisfactory arbitrator within 30 days of such request, the then sitting President of the American Arbitration Association shall unilaterally select the arbitrator. Each Subject Member that submits the decision of the Company pursuant to the second Holdback Vote to arbitration and the Company shall estimate their reasonably projected out-of-pocket expenses relating thereto, and each such party shall, to the satisfaction of the arbitrator and prior to any determination being made by the arbitrator, pay the total of such estimated

expenses (i.e., both the Subject Member's and the Company's expenses) into an escrow account to be controlled by Simpson Thacher & Bartlett LLP, as escrow agent (or such other comparable law firm as the Company and the Subject Member shall agree). The arbitrator shall direct the escrow agent to pay out of such escrow account all expenses associated with such arbitration (including costs leading thereto) and to return to the "victorious" party the entire amount of funds such party paid into such escrow account. If the amount contributed to the escrow account by the losing party is insufficient to cover the expenses of such arbitration, such "losing" party shall then provide any additional funds necessary to cover such costs to such "victorious" party. For purposes hereof, the "victorious" party shall be the Company if the Holdback Percentage ultimately determined by the arbitrator is closer to the percentage determined in the second Holdback Vote than it is to the prevailing Holdback Percentage for the Subject Member's Member Category; otherwise, the Subject Member shall be the "victorious" party. The party that is not the "victorious" party shall be the "losing" party.

(D) In the event of a decrease in a Subject Member's Holdback Percentage (1) pursuant to a Holdback Vote under this clause (iv) or (2) pursuant to a decision of an arbitrator under paragraph (C) of this clause (iv), the Company shall release and distribute to such Subject Member any Trust Amounts (and the Trust Income thereon (except as expressly provided herein with respect to using Trust Income as Firm Collateral)) which exceed the required Holdback of such Subject Member (in accordance with such Subject Member's reduced Holdback Percentage) as though such reduced Holdback Percentage had applied since the increase of the Subject Member's Holdback Percentage pursuant to a previous Holdback Vote under this clause (iv).

(v) (A) If a Member's Holdback Percentage exceeds 15% (such percentage in excess of 15% constituting the " Excess Holdback Percentage "), such Member may satisfy the portion of his Holdback obligation in respect of his Excess Holdback Percentage (such portion constituting such Member's " Excess Holdback "), and such Member (or a Withdrawn Member with respect to amounts contributed to the Trust Account while he was a Member), to the extent his Excess Holdback obligation has previously been satisfied in cash, may obtain the release of the Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) satisfying such Member's or Withdrawn Member's Excess Holdback obligation, by pledging or otherwise making available to the Company, on a first priority basis (except as provided below), all or any portion of his Firm Collateral in satisfaction of his Excess Holdback obligation. Any Member seeking to satisfy all or any portion of the Excess Holdback utilizing Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Company to realize on (if required), such Firm Collateral; provided , that, in the case of entities listed in the Company's books and records in which Members are permitted to pledge their interests therein to finance all or a portion of their capital contributions thereto (" Pledgable Blackstone Interests "), to the extent a first priority security interest is unavailable because of an existing lien on such Firm Collateral, the Member or Withdrawn Member seeking to utilize such Firm Collateral shall grant the Company a second priority security interest therein in the manner provided above; provided further , that (x) in the case of Pledgable Blackstone Interests, to the extent that neither a first priority nor a second priority security interest is available, or (y) if the Managing Member otherwise determines in its good faith judgment that a security interest in

Firm Collateral (and the corresponding documents and actions) are not necessary or appropriate, the Member or Withdrawn Member shall (in the case of either clause (x) or (y) above) irrevocably instruct in writing the relevant partnership, limited liability company or other entity listed in the Company's books and records to remit any and all net proceeds resulting from a Firm Collateral Realization on such Firm Collateral to the Trustee(s) as more fully provided in clause (B) below. The Company shall, at the request of any Member or Withdrawn Member, assist such Member or Withdrawn Member in taking such action necessary to enable such Member or Withdrawn Member to use Firm Collateral as provided hereunder.

(B) If upon a sale or other realization of all or any portion of any Firm Collateral (a " Firm Collateral Realization "), the remaining Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement, then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Firm Collateral Realization (including distributions subject to the repayment of financing sources as in the case of Pledgable Blackstone Interests) shall be paid into the Trust Account to fully satisfy such Excess Holdback requirement (allocated to such Member or Withdrawn Member) and shall be deemed to be Trust Amounts for purposes hereunder. Any net proceeds from such Firm Collateral Realization in excess of the amount necessary to satisfy such Excess Holdback requirement shall be distributed to such Member or Withdrawn Member.

(C) Upon any valuation or revaluation of Firm Collateral that results in a decreased valuation of such Firm Collateral so that such Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement (including upon a Firm Collateral Realization, if net proceeds therefrom and the remaining Firm Collateral are insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement), the Company shall provide notice of the foregoing to such Member or Withdrawn Member and such Member or Withdrawn Member shall, within 30 days of receiving such notice, contribute cash (or additional Firm Collateral) to the Trust Account in an amount necessary to satisfy his Excess Holdback requirement. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that clause (A) of the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to a default under this clause (C); provided further , that for purposes of applying Section 5.8 (d)(ii) to a default under this clause (C): (I) the term "GP-Related Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net GP-Related Recontribution Amount" and "GP-Related Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(vi) Any Member or Withdrawn Member may (A) obtain the release of any Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) or Firm Collateral, in each case, held in the Trust Account for the benefit of such Member or Withdrawn Member or (B) require the Company to distribute all or any portion of amounts otherwise required to be placed in the Trust Account (whether cash or Firm Collateral), by obtaining a letter of credit (an " L/C ") for the benefit of the Trustee(s) in such amounts. Any Member or Withdrawn Member choosing to furnish an L/C to the Trustee(s) (in such capacity, an " L/C Member ") shall deliver to the Trustee(s) an unconditional and irrevocable L/C from a commercial bank whose (x) short-term

deposits are rated at least A-1 by S&P and P-1 by Moody's (if the L/C is for a term of 1 year or less), or (y) long-term deposits are rated at least A+ by S&P or A1 by Moody's (if the L/C is for a term of 1 year or more) (each a " Required Rating "). If the relevant rating of the commercial bank issuing such L/C drops below the relevant Required Rating, the L/C Member shall supply to the Trustee(s), within 30 days of such occurrence, a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, in lieu of the insufficient L/C. In addition, if the L/C has a term expiring on a date earlier than the latest possible termination date of BCP V, the Trustee(s) shall be permitted to drawdown on such L/C if the L/C Member fails to provide a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, at least 30 days prior to the stated expiration date of such existing L/C. The Trustee(s) shall notify an L/C Member 10 days prior to drawing on any L/C. The Trustee(s) may (as directed by the Company in the case of clause (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Member's obligation relating to the Company's obligations under the Clawback Provisions or (II) an L/C Member has not provided a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating (or the requisite amount of cash and/or Firm Collateral (to the extent permitted hereunder)), at least 30 days prior to the stated expiration of an existing L/C in accordance with this clause (vi). The Trustee(s), as directed by the Company, shall return to any L/C Member his L/C upon (1) the termination of the Trust Account and satisfaction of the Company's obligations, if any, in respect of the Clawback Provisions, (2) an L/C Member satisfying his entire Holdback obligation in cash and Firm Collateral (to the extent permitted hereunder), or (3) the release, by the Trustee(s), as directed by the Company, of all amounts in the Trust Account to the Members or Withdrawn Members. If an L/C Member satisfies a portion of his Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the Company, release a portion of the amounts in the Trust Account to the Members or Withdrawn Members in the Member Category of such L/C Member, the L/C of an L/C Member may be reduced by an amount corresponding to such portion satisfied in cash and/or Firm Collateral (to the extent permitted hereunder) or such portion released by the Trustee(s), as directed by the Company; provided , that in no way shall the general release of any Trust Income cause an L/C Member to be permitted to reduce the amount of an L/C by any amount.

(vii) (A) Any in-kind distributions by the Company relating to Carried Interest shall be made in accordance herewith as though such distributions consisted of cash. The Company may direct the Trustee(s) to dispose of any in-kind distributions held in the Trust Account at any time. The net proceeds therefrom shall be treated as though initially contributed to the Trust Account.

(B) In lieu of the foregoing, any Existing Member may pledge with respect to any in-kind distribution the Special Firm Collateral referred to in asset category 5 on the Company's books and records; provided , that the initial contribution of such Special Firm Collateral shall initially equal 130% of the required Holdback Amount for a period of 90 days, and thereafter shall equal at least 115% of the required Holdback Amount. Paragraphs 4.1(d)(viii)(C) and (D) shall apply to such Special Firm Collateral. To the extent such Special Firm Collateral exceeds the applicable minimum percentage of the required Holdback Amount specified in the first sentence of this clause (vii)(B), the related Member may obtain a release of such excess amount from the Trust Account.

(viii) (A) Any Regular Member or Withdrawn Member may satisfy all or any portion of his Holdback (excluding any Excess Holdback), and such Member or a Withdrawn Member may, to the extent his Holdback (excluding any Excess Holdback) has been previously been

satisfied in cash or by the use of an L/C as provided herein, obtain a release of Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) that satisfy such Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) by pledging to the Trustee(s) on a first priority basis all of his Special Firm Collateral in a particular Qualifying Fund, which at all times must equal or exceed the amount of the Holdback distributed to the Member or Withdrawn Member (as more fully set forth below). Any Member seeking to satisfy such Member's Holdback utilizing Special Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Trustee(s) to realize on (if required), such Special Firm Collateral.

(B) If upon a distribution, withdrawal, sale, liquidation or other realization of all or any portion of any Special Firm Collateral (a " Special Firm Collateral Realization "), the remaining Special Firm Collateral (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) is insufficient to cover any Member's or Withdrawn Member's Holdback (when taken together with other means of satisfying the Holdback as provided herein (i.e., cash contributed to the Trust Account or an L/C in the Trust Account)), then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Special Firm Collateral Realization (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund or other asset and is being used in connection with an Excess Holdback) shall be paid into the Trust (and allocated to such Member or Withdrawn Member) to fully satisfy such Holdback and shall be deemed thereafter to be Trust Amounts for purposes hereunder. Any net proceeds from such Special Firm Collateral Realization in excess of the amount necessary to satisfy such Holdback (excluding any Excess Holdback) shall be distributed to such Member or Withdrawn Member. To the extent a Qualifying Fund distributes Securities to a Member or Withdrawn Member in connection with a Special Firm Collateral Realization, such Member or Withdrawn Member shall be required to promptly fund such Member's or Withdrawn Member's deficiency with respect to his Holdback in cash or an L/C.

(C) Upon any valuation or revaluation of the Special Firm Collateral and/or any adjustment in the Applicable Collateral Percentage applicable to a Qualifying Fund (as provided in the Company's books and records), if such Member's or Withdrawn Member's Special Firm Collateral is valued at less than such Member's Holdback (excluding any Excess Holdback) as provided in the Company's books and records, taking into account other permitted means of satisfying the Holdback hereunder, the Company shall provide notice of the foregoing to such Member or Withdrawn Member and, within 10 business days of receiving such notice, such Member or Withdrawn Member shall contribute cash or additional Special Firm Collateral to the Trust Account in an amount necessary to make up such deficiency. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to such default; provided further , that for purposes of applying Section 5.8(d)(ii) to a default under this clause (C): (I) the term "GP-Related Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms

"Net GP-Related Recontribution Amount" and "GP-Related Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(D) Upon a Member becoming a Withdrawn Member, at any time thereafter the Managing Member may revoke the ability of such Withdrawn Member to use Special Firm Collateral as set forth in this Section 4.1(d)(viii), notwithstanding anything else in this Section 4.1(d)(viii). In that case the provisions of clause (C) above shall apply to the Withdrawn Member's obligation to satisfy the Holdback (except that 30 days' notice of such revocation shall be given), given that the Special Firm Collateral is no longer available to satisfy any portion of the Holdback (excluding any Excess Holdback).

(E) Nothing in this Section 4.1(d)(viii) shall prevent any Member or Withdrawn Member from using any amount of such Member's interest in a Qualifying Fund as Firm Collateral; provided that at all times Section 4.1(d)(v) and this Section 4.1 (d)(viii) are each satisfied.

4.2. Interest . Interest on the balances of the Members' capital related to the Members' GP-Related Member Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the Managing Member, capital invested in any other investment of the Company) shall be credited to the Members' GP-Related Capital Accounts at the end of each accounting period pursuant to Section 5.2, or at any other time as determined by the Managing Member, at rates determined by the Managing Member from time to time, and shall be charged as an expense of the Company.

4.3. Withdrawals of Capital . No Member may withdraw capital related to such Member's GP-Related Member Interest from the Company except (i) for distributions of cash or other property pursuant to Section 5.8, (ii) as otherwise expressly provided in this Agreement or (iii) as determined by the Managing Member.

ARTICLE V

PARTICIPATION IN PROFITS AND LOSSES

5.1. General Accounting Matters . (a) GP-Related Net Income (Loss) shall be determined by the Managing Member at the end of each accounting period and shall be allocated as described in Section 5.4.

(b) " GP-Related Net Income (Loss) " from any activity of the Company related to the Company's GP-Related BMA V Member Interest for any accounting period means (i) the gross income realized by the Company from such activity during such accounting period less (ii) all expenses of the Company, and all other items that are deductible from gross income, for such accounting period that are allocable to such activity (determined as provided below).

" GP-Related Net Income (Loss) " from any GP-Related Investment for any accounting period in which such GP-Related Investment has not been sold or otherwise disposed of means (i) the gross amount of dividends, interest or other income received by the Company from such GP-Related Investment during such accounting period less (ii) all expenses of the Company for such accounting period that are allocable to such GP-Related Investment (determined as provided below).

" GP-Related Net Income (Loss) " from any GP-Related Investment for the accounting period in which such GP-Related Investment is sold or otherwise disposed of means (i) the sum of the gross proceeds from the sale or other disposition of such GP-Related Investment and the gross amount of dividends, interest or other income received by the Company from such GP-Related Investment during such accounting period less (ii) the sum of the cost or other basis to the Company of such GP-Related Investment and all expenses of the Company for such accounting period that are allocable to such GP-Related Investment.

GP-Related Net Income (Loss) shall be determined in accordance with the accounting method used by the Company for U.S. federal income tax purposes with the following adjustments: (i) any income of the Company that is exempt from U.S. federal income taxation and not otherwise taken into account in computing GP-Related Net Income (Loss) shall be added to such taxable income or loss; (ii) if any asset has a value on the books of the Company that differs from its adjusted tax basis for U.S. federal income tax purposes, any depreciation, amortization or gain resulting from a disposition of such asset shall be calculated with reference to such value; (iii) upon an adjustment to the value of any asset on the books of the Company pursuant to Regulation Section 1.704-1(b)(2), the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (iv) any expenditures of the Company not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing GP-Related Net Income (Loss) pursuant to this definition shall be treated as deductible items; (v) any income from a GP-Related Investment that is payable to Company employees in respect of "phantom interests" in such GP-Related Investment awarded by the Managing Member to employees shall be included as an expense in the calculation of GP-Related Net Income (Loss) from such GP-Related Investment, and (vi) items of income and expense (including interest income and overhead and other indirect expenses) of the Company, Holdings and other affiliates of the Company shall be allocated among the Company, Holdings and such affiliates, among various Company activities and GP-Related Investments and between accounting periods, in each case as determined by the Managing Member. Any adjustments to GP-Related Net Income (Loss) by the Managing Member, including adjustments for items of income accrued but not yet received, unrealized gains, items of expense accrued but not yet paid, unrealized losses, reserves (including reserves for taxes, bad debts, actual or threatened litigation, or any other expenses, contingencies or obligations) and other appropriate items shall be made in accordance with U.S. generally accepted accounting principles (" GAAP "); provided , that the Managing Member shall not be required to make any such adjustment.

(c) An accounting period shall be a Fiscal Year, except that, at the option of the Managing Member, an accounting period will terminate and a new accounting period will begin on the admission date of an additional Member or the Settlement Date of a Withdrawn Member, if any such date is not the first day of a Fiscal Year. If any event referred to in the preceding sentence occurs and the Managing Member does not elect to terminate an accounting period and begin a new accounting period, then the Managing Member may make such adjustments as it deems appropriate to the Members' GP-Related Profit Sharing Percentages for the accounting period in which such event occurs (prior to any allocations of GP-Related Unallocated Percentages or adjustments to GP-Related Profit Sharing Percentages pursuant to Section 5.3) to reflect the Members' average GP-Related Profit Sharing Percentages during such accounting period; provided , that the GP-Related Profit Sharing Percentages of Members in GP-Related Net Income (Loss) from GP-Related Investments acquired during such accounting period will be based on GP-Related Profit Sharing Percentages in effect when each such GP-Related Investment was acquired.

(d) In establishing GP-Related Profit Sharing Percentages and allocating GP-Related Unallocated Percentages pursuant to Section 5.3, the Managing Member may consider such factors as it deems appropriate.

(e) All determinations, valuations and other matters of judgment required to be made for accounting purposes under this Agreement shall be made by the Managing Member and approved by the Company's independent accountants. Such approved determinations, valuations and other accounting matters shall be conclusive and binding on all Members, all Withdrawn Members, their successors, heirs, estates or legal representatives and any other person, and to the fullest extent permitted by law no such person shall have the right to an accounting or an appraisal of the assets of the Company or any successor thereto.

5.2. GP-Related Capital Accounts; Tax Capital Accounts . (a) There shall be established for each Member on the books of the Company, to the extent and at such times as may be appropriate, one or more GP-Related Capital Accounts as the Managing Member may deem to be appropriate for purposes of accounting for such Member's interests in the capital of the Company related to the Company's GP-Related BMA V Member Interest and the GP-Related Net Income (Loss) of the Company.

(b) As of the end of each accounting period or, in the case of a contribution to the Company by one or more of the Members or a distribution by the Company to one or more of the Members, at the time of such contribution or distribution, (i) the appropriate GP-Related Capital Accounts of each Member shall be credited with the following amounts: (A) the amount of cash and the value of any property contributed by such Member to the capital of the Company related to the Company's GP-Related Member Interest during such accounting period, (B) the GP-Related Net Income allocated to such Member for such accounting period and (C) the interest credited on the balance of such Member's capital related to such Member's GP-Related Member Interest for such accounting period pursuant to Section 4.3; and (ii) the appropriate GP-Related Capital Accounts of each Member shall be debited with the following amounts: (x) the amount of cash, the principal amount of any subordinated promissory note of the Company referred to in Section 6.5(k) (as such amount is paid) and the value of any property distributed to such Member during such accounting period with respect to such Member's GP-Related Member Interest and (y) the GP-Related Net Loss allocated to such Member for such accounting period.

5.3. GP-Related Profit Sharing Percentages . (a) Prior to the beginning of each annual accounting period, the Managing Member shall establish the profit sharing percentage (the " GP-Related Profit Sharing Percentage ") of each Member in each category of GP-Related Net Income (Loss) for such annual accounting period pursuant to Section 5.1(a) taking into account such factors as the Managing Member deems appropriate, including those referred to in Section 5.1(d); provided , that (i) the Managing Member may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Company during such accounting period at the time such GP-Related Investment is acquired in accordance with paragraph (d) below and (ii) GP-Related Net Income (Loss) for such accounting period from any GP-Related Investment shall be allocated in accordance with the GP-Related Profit Sharing Percentages in such GP-Related Investment established in accordance with paragraph (d) below. The Managing Member may establish different GP-Related Profit Sharing Percentages for any Member in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Member, such former Member's GP-Related Profit Sharing Percentages shall be allocated by the Managing Member to one or more of the remaining Members. In the case of the admission of any Member to the Company as an additional Member, the GP-Related Profit Sharing Percentages of the other Members shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Member pursuant to Section 6.1(b); such reduction of each other Member's GP-Related Profit Sharing Percentage shall be pro rata based upon such Member's GP-Related Profit Sharing Percentage as in effect immediately prior to the admission of the new Member. Notwithstanding the foregoing, the Managing Member may also adjust the GP-Related Profit Sharing Percentage of any Member for any annual accounting period at the end of such annual accounting period in its sole discretion.

(b) The Managing Member may elect to allocate to the Members less than 100% of the GP-Related Profit Sharing Percentages of any category for any annual accounting period at the time specified in Section 5.3(a) for the annual fixing of GP-Related Profit Sharing Percentages (any remainder of such GP-Related Profit Sharing Percentages being called an " GP-Related Unallocated Percentage "); provided , that any GP-Related Unallocated Percentage in any category of GP-Related Net Income (Loss) for any annual accounting period that is not allocated by the Managing Member within 90 days after the end of such accounting period shall be deemed to be allocated among all Members (including the Managing Member) in the manner determined by the Managing Member in its sole discretion.

(c) Unless otherwise determined by the Managing Member in a particular case, (i) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Members' respective GP-Related Capital Contributions in respect of such GP-Related Investment and (ii) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from each GP-Related Investment shall be fixed at the time such GP-Related Investment is acquired and shall not thereafter change, subject to any repurchase rights established by the Managing Member pursuant to Section 5.7.

5.4. Allocations of GP-Related Net Income (Loss) . (a) Except as provided in Sections 5.4(d) and 5.4(e), GP-Related Net Income of the Company for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Members participating in such GP-Related Investment (including the Managing Member): first, in proportion to and to the extent of the amount of Non-Carried Interest (other than amounts representing a return of GP-Related Capital Contributions) or Carried Interest distributed to the Members; second, to Members that received Non-Carried Interest (other than amounts representing a return of GP-Related Capital Contributions) or Carried Interest in years prior to the years such GP-Related Net Income is being allocated to the extent such Non-Carried Interest (other than amounts representing a return of GP-Related Capital Contributions) or Carried Interest exceeded GP-Related Net Income allocated to such Members in such earlier years; and third, to the Members in the same manner that such Non-Carried Interest (other than amounts representing a return of GP-Related Capital Contributions) or Carried Interest would have been distributed if cash were available to distribute with respect thereto.

(b) GP-Related Net Loss of the Company shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by BCP V and allocated to the Company with respect to its pro rata share thereof (based on capital contributions made by the Company indirectly to BCP V with respect to the Company's GP-Related BMA V Member Interest) shall be allocated to the Members in accordance with each Member's Non-Carried Interest Sharing Percentage (subject to adjustment pursuant to Section 5.8(e)) with respect to the GP-Related Investment giving rise to such loss suffered by BCP V and (ii) GP-Related Net Loss relating to realized losses suffered by BCP V and allocated indirectly to the Company with respect to the Carried Interest shall be allocated in accordance with a Member's (including Withdrawn Member's) Carried Interest Give Back Percentage (as of the date of such loss).

(c) Notwithstanding Section 5.4(a) above, GP-Related Net Income relating to Carried Interest allocated after the allocation of a GP-Related Net Loss pursuant to clause (ii) of Section 5.4(b) shall be allocated in accordance with such Carried Interest Give Back Percentages until such time as the Members have been allocated GP-Related Net Income relating to Carried Interest equal to the aggregate amount of GP-Related Net Loss previously allocated in accordance with clause (ii) of Section 5.4(b). Withdrawn Members shall remain Members for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(d) To the extent the Company has any GP-Related Net Income (Loss) for any accounting period unrelated to BCP V, such GP-Related Net Income (Loss) will be allocated in accordance with GP-Related Profit Sharing Percentages prevailing at the beginning of such accounting period, except as provided in Section 5.4(e).

(e) The Managing Member may authorize from time to time advances to Members against their allocable shares of GP-Related Net Income (Loss).

5.5. Liability of Members . Except as otherwise provided in the LLC Act or as expressly provided in this Agreement, no Member shall be personally obligated for any debt, obligation or liability of the Company or of any other Member solely by reason of being a Member. In no event shall any Member or Withdrawn Member (i) be obligated to make any capital contribution or payment to or on behalf of the Company or (ii) have any liability to return distributions received by such Member from the Company, in each case except as specifically provided in Sections 4.1(d) or 5.8 or otherwise in this Agreement, as such Member shall otherwise expressly agree in writing or as may be required by applicable law.

5.6. [Intentionally omitted.]

5.7. Repurchase Rights, etc. . The Managing Member may from time to time establish such repurchase rights and/or other requirements with respect to the Members' GP-Related Member Interests relating to GP-Related BCP V Investments as the Managing Member may determine. The Managing Member shall have authority to (a) withhold any distribution otherwise payable to any Member until any such repurchase rights have lapsed or any such requirements have been satisfied, (b) pay any distribution to any Member that is Contingent as of the distribution date and require the refund of any portion of such distribution that is Contingent as of the Withdrawal Date of such Member, (c) amend any previously established repurchase rights or other requirements from time to time and (d) make such exceptions thereto as it may determine on a case by case basis.

5.8. Distributions . (a) The Company shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Members at such times and in such amounts as are determined by the Managing Member. The Managing Member shall, if it deems it appropriate, determine the availability for distribution of, and distribute, cash or other property separately for each category of GP-Related Net Income (Loss) established pursuant to Section 5.1(a). Subject to Section 5.8(e), distributions of cash or other property with respect to Non-Carried Interest shall be made among the Members in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d), distributions of cash or other property with respect to Carried Interest shall be made among Members in accordance with their respective Carried Interest Sharing Percentages. At any time that a sale, exchange, transfer or other disposition by BCP V of a portion of a GP-Related Investment is being considered by the Company (a " GP-Related Disposable Investment "), at the election of the Managing Member each Member's GP-Related Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Member Interests, a GP-Related Interest attributable to the GP-Related Disposable Investment (a Member's " GP-Related Class B Interest "), and a GP-Related Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Member's " GP-Related Class A Interest "). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BCP V) relating to a GP-Related Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of GP-Related Class B Interests with respect to such GP-Related Investment in accordance with their GP-Related Profit Sharing Percentages relating to such GP-Related Class B Interests, and distributions (including those resulting from the sale, transfer, exchange or other disposition by BCP V) relating to a GP-Related Investment excluding such GP-Related Disposable Investment (with respect to

both Carried Interest and Non-Carried Interest) shall be made only to holders of GP-Related Class A Interests with respect to such Investment in accordance with their respective GP-Related Profit Sharing Percentages relating to such GP-Related Class A Interests. Except as provided above, distributions of cash or other property with respect to each category of GP-Related Net Income (Loss) shall be allocated among the Members in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(b) Subject to the Company's having sufficient available cash in the reasonable judgment of the Managing Member, the Company shall make cash distributions to each Member with respect to each Fiscal Year of the Company in an aggregate amount at least equal to the total Federal, New York State and New York City income and other taxes that would be payable by such Member with respect to all categories of GP-Related Net Income (Loss) allocated to such Member for such Fiscal Year, the amount of which shall be calculated (i) on the assumption that each Member is an individual subject to the then prevailing maximum Federal, New York State and New York City income tax rates, (ii) taking into account the deductibility of state and local income and other taxes for Federal income tax purposes and (iii) taking into account any differential in applicable rates due to the type and character of Net Income (Loss) allocated to such Member. Notwithstanding the provisions of the foregoing sentence, the Managing Member may refrain from making any distribution if, in the reasonable judgment of the Managing Member, such distribution is prohibited by § 18-607 of the LLC Act.

(c) The Managing Member may provide that the GP-Related Member Interest of any Member or employee (including such Member's or employee's right to distributions and investments of the Company related thereto) may be subject to repurchase by the Company during such period as the Managing Member shall determine (a " Repurchase Period "). Any Contingent distributions from GP-Related Investments subject to repurchase rights will be withheld by the Company and will be distributed to the recipient thereof (together with interest thereon at rates determined by the Managing Member from time to time) as the recipient's rights to such distributions become Non-Contingent (by virtue of the expiration of the applicable Repurchase Period or otherwise). The Managing Member may elect in an individual case to have the Company distribute any Contingent distribution to the applicable recipient thereof irrespective of whether the applicable Repurchase Period has lapsed. If a Member Withdraws from the Company for any reason other than his death, Total Disability or Incompetence, the undistributed share of any GP-Related Investment that remains Contingent as of the applicable Withdrawal Date shall be repurchased by the Company at a purchase price determined at such time by the Managing Member. Unless determined otherwise by the Managing Member, the repurchased portion thereof will be allocated among the remaining Members with interests in such GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Member has a percentage interest in such specific GP-Related Investment, to the Managing Member; provided , that the Managing Member may allocate the Withdrawn Member's share of unrealized investment income from a repurchased GP-Related Investment attributable to the period after the Withdrawn Member's Withdrawal Date on any basis it may determine, including to existing or new Members who did not previously have interests in such GP-Related Investment, except that, in any event, each Investor Special Member shall be allocated a share of such unrealized investment income equal to its respective GP-Related Profit Sharing Percentage of such unrealized investment income.

(d) (i) (A) If BMA V is obligated under the Clawback Provisions or Giveback Provisions to contribute a Clawback Amount or Giveback Amount to BCP V and the Company is obligated to contribute any such amount to BMA V in respect of the Company's GP-Related BMA V Member Interest (the amount of such obligation with respect to a Giveback Amount being herein called a " GP-Related Giveback Amount "), the Company shall call for such amounts as are necessary to satisfy such obligations as determined by the Managing Member, in which case each Member and Withdrawn Member shall contribute to the Company, in cash, when and as called by the Company, such an amount

of prior distributions by the Company (and the Other Fund GPs) with respect to Carried Interest (and/or Non-Carried Interest in the case of GP-Related Giveback Amounts) (the " GP-Related Recontribution Amount ") which equals (I) the product of (a) a Member's or Withdrawn Member's Carried Interest Give Back Percentage and (b) the aggregate Clawback Amount payable by the Company in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Member's pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related BCP V Investment giving rise to the GP-Related Giveback Amount, (b) if the amounts contributed pursuant to clause (II)(a) above are insufficient to satisfy such GP-Related Giveback Amount, GP-Related BCP V Investments other than the one giving rise to such obligation, but only those amounts received by the Members with an interest in the GP-Related BCP V Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related BCP V Investment, all GP-Related BCP V Investments. Each Member and Withdrawn Member shall promptly contribute to the Company, along with satisfying his comparable obligations to the Other Fund GPs, if any, upon such call such Member's or Withdrawn Member's GP-Related Recontribution Amount, less the amount paid out of the Trust Account on behalf of such Member or Withdrawn Member by the Trustee(s) pursuant to written instructions from the Company, or if applicable, any of the Other Fund GPs with respect to Carried Interest (and/or Non-Carried Interest in the case of GP-Related Giveback Amounts) (the " Net GP-Related Recontribution Amount "), irrespective of the fact that the amounts in the Trust Account may be sufficient on an aggregate basis to satisfy the Company's and the Other Fund GPs' obligation under the Clawback Provisions and/or Giveback Provisions; provided , that to the extent a Member's or Withdrawn Member's share of the amount paid with respect to the Clawback Amount or the GP-Related Giveback Amount exceeds his GP-Related Recontribution Amount, such excess shall be repaid to such Member or Withdrawn Member as promptly as reasonably practicable, subject to clause (ii) below; provided further , that such written instructions from the Company shall specify each Member's and Withdrawn Member's GP-Related Recontribution Amount. Prior to such time, the Company may, in its discretion (but shall be under no obligation to), provide notice that in the Company's judgment, the potential obligations in respect of the Clawback Provisions or the Giveback Provisions will probably materialize (and an estimate of the aggregate amount of such obligations); provided further , that any amount from a Member's Trust Account used to pay any GP-Related Giveback Amount (or such lesser amount as may be required by the Managing Member) shall be contributed by such Member to such Member's Trust Account no later than 30 days after the Net GP-Related Recontribution Amount is paid with respect to such GP-Related Giveback Amount.

(B) To the extent any Member or Withdrawn Member has satisfied any Holdback obligation with Firm Collateral, such Member or Withdrawn Member shall, within 10 days of the Company's call for GP-Related Recontribution Amounts, make a cash payment into the Trust Account in an amount equal to the amount of the Holdback obligation satisfied with such Firm Collateral, or such lesser amount such that the amount in the Trust Account allocable to such Member or Withdrawn Member equals the sum of (I) such Member's or Withdrawn Member's GP-Related Recontribution Amount and (II) any similar amounts payable to any of the Other Fund GPs. Immediately upon receipt of such cash, the Trustee(s) shall take such steps as are necessary to release such Firm Collateral of such Member or Withdrawn Member equal to the amount of such cash payment. If the amount of such cash payment is less than the amount of Firm Collateral of such Member or Withdrawn Member, the balance of such Firm Collateral if any, shall be retained to secure the payment of GP-Related Deficiency Contributions, if any, and shall be fully released upon the satisfaction of the Company's and the Other Fund GPs' obligation to pay the Clawback Amount. The failure of any Member or Withdrawn Member to make a cash payment in accordance with this clause (B) (to the extent applicable) shall constitute a default under Section 5.8(d)(ii) as if such cash payment hereunder constitutes a Net GP-Related Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Member or Withdrawn Member (a " GP-Related Defaulting Party ") fails to recontribute all or any portion of such GP-Related Defaulting Party's Net GP-Related Recontribution Amount for any reason, the Company shall require all other Members and Withdrawn Members to contribute, on a pro rata basis (based on each of their respective Carried Interest Give Back Percentages in the case of Clawback Amounts, and GP-Related Profit Sharing Percentages in the case of GP-Related Giveback Amounts (as more fully described in clause (II) of Section 5.8(d)(i)(A) above)), such amounts as are necessary to fulfill the GP-Related Defaulting Party's obligation to pay such GP-Related Defaulting Party's Net GP-Related Recontribution Amount (a " GP-Related Deficiency Contribution ") if the Managing Member determines in its good faith judgment that the Company will be unable to collect such amount in cash from such GP-Related Defaulting Party for payment of the Clawback Amount or GP-Related Giveback Amount, as the case may be, at least 20 Business Days prior to the latest date that the Company, and the Other Fund GPs, if applicable, are permitted to pay the Clawback Amount or GP-Related Giveback Amount, as the case may be; provided , that, subject to Section 5.8(e), no Member or Withdrawn Member shall as a result of such GP-Related Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of the Net GP-Related Recontribution Amount initially requested from such Member or Withdrawn Member in respect of such default. Thereafter, the Managing Member shall determine in its good faith judgment that the Company should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the Managing Member or (2) pursue any and all remedies (at law or equity) available to the Company against the GP-Related Defaulting Party, the cost of which shall be a Company expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Company shall have the right (effective upon such GP-Related Defaulting Party becoming a GP-Related Defaulting Party) to set-off as appropriate and apply against such GP-Related Defaulting Party's Net GP-Related Recontribution Amount any amounts otherwise payable to the GP-Related Defaulting Party by the Company or any affiliate thereof (including amounts unrelated to Carried Interest, such as returns of capital and profit thereon). Each Member and Withdrawn Member hereby grants to the Company a security interest, effective upon such Member or Withdrawn Member becoming a GP-Related Defaulting Party, in all accounts receivable and other rights to receive payment from any affiliate of the Company and agrees that, upon the effectiveness of such security interest, the Company may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member and Withdrawn Member hereby appoints the Company as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Member or Withdrawn Member or in the name of the Company, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Company shall be entitled to collect interest on the Net GP-Related Recontribution Amount of a GP-Related Defaulting Party from the date such GP-Related Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(B) Any Member's or Withdrawn Member's failure to make a GP-Related Deficiency Contribution shall cause such Member or Withdrawn Member to be a GP-Related Defaulting Party with respect to such amount. The Company shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Member or Withdrawn Member to satisfy such Member's or Withdrawn Member's obligation to make a GP-Related Deficiency Contribution before seeking cash contributions from such Member or Withdrawn Member in satisfaction of such Member's or Withdrawn Member's obligation to make a GP-Related Deficiency Contribution.

(iii) A Member's or Withdrawn Member's obligation to make contributions to the Company under this Section 5.8(d) shall survive the termination of the Company.

(e) The Members acknowledge that the Managing Member will (and is hereby authorized to) take such steps as it deems appropriate, in its good faith, to further the objective of providing for the fair and equitable treatment of all Members, including by allocating Writedowns and Losses (as defined in the BCP V Agreements) on GP-Related BCP V Investments that have been the subject of a Writedown and/or Losses (each, a " Loss Investment ") to those Members who participated in such Loss Investments based on their Carried Interest Sharing Percentage therein to the extent that such Members receive or have received Carried Interest distributions from other GP-Related BCP V Investments. Consequently and notwithstanding anything herein to the contrary, adjustments to Carried Interest distributions shall be made as set forth in this Section 5.8(e).

(i) At the time the Company is making Carried Interest distributions in connection with a GP-Related BCP V Investment (the " Subject Investment ") that have been reduced under the BCP V Agreements as a result of one or more Loss Investments, the Managing Member shall calculate amounts distributable to or due from each such Member as follows:

(A) determine each Member's share of each such Loss Investment based on his Carried Interest Sharing Percentage in each such Loss Investment (which may be zero) to the extent such Loss Investment has reduced the Carried Interest distributions otherwise available for distribution to all Members (indirectly through the Company from BCP V) from the Subject Investment (such reduction, the " Loss Amount ");

(B) determine the amount of Carried Interest distributions otherwise distributable to such Member with respect to the Subject Investment (indirectly through the Company from BCP V) before any reduction in respect of the amount determined in clause (A) above (the " Unadjusted Carried Interest Distributions "); and

(C) subtract (I) the Loss Amounts relating to all Loss Investments from (II) the Unadjusted Carried Interest Distributions for such Member, to determine the amount of Carried Interest distributions to actually be paid to such Member (" Net Carried Interest Distribution ").

To the extent that the Net Carried Interest Distribution for a Member as calculated in this clause (i) is a negative number, the Managing Member shall (I) notify such Member, at or prior to the time such Carried Interest distributions are actually made to the Members, of his obligation to recontribute to the Company prior Carried Interest distributions (a " Net Carried Interest Distribution Recontribution Amount "), up to the amount of such negative Net Carried Interest Distribution, and (II) to the extent amounts recontributed pursuant to clause (I) are insufficient to satisfy such negative Net Carried Interest Distribution Amount, reduce future Carried Interest distributions otherwise due such Member, up to the amount of such remaining negative Net Carried Interest Distribution. If a Member's (x) Net Carried Interest Distribution Recontribution Amount exceeds (y) the aggregate amount of prior Carried Interest distributions less the amount of tax thereon, calculated based on the Assumed Tax Rate (as defined in the BCP V Agreements) in effect in the Fiscal Years of such distributions (the " Excess Tax-Related Amount "), then such

Member may, in lieu of paying such Member's Excess Tax-Related Amount, defer such amounts as set forth below. Such deferred amount shall accrue interest at the Prime Rate. Such deferred amounts shall be reduced and repaid by the amount of Carried Interest otherwise distributable to such Member in connection with future Carried Interest distributions until such balance is reduced to zero. Any deferred amounts shall be payable in full upon the earlier of (i) such time as the Clawback is determined (as provided herein) and (ii) such time as the Member becomes a Withdrawn Member.

To the extent there is an amount of negative Net Carried Interest Distribution with respect to a Member remaining after the application of this clause (i), notwithstanding clause (II) of the preceding paragraph, such remaining amount of negative Net Carried Interest Distribution shall be allocated to the other Members pro rata based on each of their Carried Interest Sharing Percentages in the Subject Investment.

A Member who fails to pay a Net Carried Interest Distribution Recontribution Amount promptly upon notice from the Managing Member (as provided above) shall be deemed a GP-Related Defaulting Party for all purposes hereof.

A Member may satisfy in part any Net Carried Interest Distribution Recontribution Amount from cash that is then subject to a Holdback, to the extent that the amounts that remain subject to a Holdback satisfy the Holdback requirements hereof as they relate to the reduced amount of aggregate Carried Interest distributions received by such Member (taking into account any Net Carried Interest Distribution Recontribution Amount contributed to the Company by such Member).

Any Net Carried Interest Distribution Recontribution Amount contributed by a Member, including amounts of cash subject to a Holdback as provided above, shall increase the amount available for distribution to the other Members as Carried Interest distributions with respect to the Subject Investment; provided , that any such amounts then subject to a Holdback may be so distributed to the other Members to the extent a Member receiving such distribution has satisfied the Holdback requirements with respect to such distribution (taken together with the other Carried Interest distributions received by such Member to date).

(ii) In the case of Clawback Amounts which are required to be contributed to the Company as otherwise provided herein, the obligation of the Members with respect to any Clawback Amount shall be adjusted by the Managing Member as follows:

(A) determine each Member's share of any Losses in any GP-Related BCP V Investments which gave rise to the Clawback Amount (i.e. , the Losses that followed the last GP-Related BCP V Investment with respect to which Carried Interest distributions were made), based on such Member's Carried Interest Sharing Percentage in such GP-Related BCP V Investments;

(B) determine each Member's obligation with respect to the Clawback Amount based on such Member's Carried Interest Give Back Percentage as otherwise provided herein; and

(C) subtract the amount determined in clause (B) above from the amount determined in clause (A) above with respect to each Member to determine the amount of adjustment to each Member's share of the Clawback Amount (a Member's " Clawback Adjustment Amount ").

A Member's share of the Clawback Amount shall for all purposes hereof be decreased by such Member's Clawback Adjustment Amount, to the extent it is a negative number (except to the extent expressly provided below). A Member's share of the Clawback Amount shall for all purposes hereof be increased by such Member's Clawback Adjustment Amount (to the extent it is a positive number); provided , that in no way shall a Member's aggregate obligation to satisfy a Clawback Amount as a result of this clause (ii) exceed the aggregate Carried Interest distributions received by such Member. To the extent a positive Clawback Adjustment Amount remains after the application of this clause (ii) with respect to a Member, such remaining Clawback Adjustment Amount shall be allocated to the Members (including any Member whose Clawback Amount was increased pursuant to this clause (ii)) pro rata based on their Carried Interest Give Back Percentages (determined without regard to this clause (ii)).

Any distribution or contribution adjustments pursuant to this Section 5.8(e) by the Managing Member shall be based on its good faith judgment, and no Member shall have any claim against the Company, the Managing Member or any other Members as a result of any adjustment made as set forth above. This Section 5.8(e) applies to all Members, including Withdrawn Members.

It is agreed and acknowledged that this Section 5.8(e) is an agreement among the Members and in no way modifies the obligations of each Member regarding the Clawback as provided in the BCP V Agreements.

5.9. Business Expenses . The Company shall reimburse the Members for reasonable travel, entertainment and miscellaneous expenses incurred by them in the conduct of the Company's business in accordance with rules and regulations established by the Managing Member from time to time.

5.10. Tax Capital Accounts; Tax Allocations . (a) For U.S. federal income tax purposes, there shall be established for each Member a single capital account combining such Member's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the Managing Member determines is appropriate so that such single capital account is maintained in compliance with the principles and requirements of Section 704(b) of the Code and the Regulations thereunder.

(b) For federal, state and local income tax purposes only, Company income, gain, loss, deduction or expense (or any item thereof) for each fiscal year shall be allocated to and among the Members in a manner corresponding to the manner in which corresponding items are allocated among the Members pursuant to clause (a) above, provided the Managing Member may in its sole discretion make such allocations for tax purposes as it determines is appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Members, within the meaning of the Code and the Regulations.

ARTICLE VI

ADDITIONAL MEMBERS; WITHDRAWAL OF MEMBERS; SATISFACTION AND DISCHARGE OF COMPANY INTERESTS; TERMINATION

6.1. Additional Members . (a) Effective on the first day of any month (or on such other date as shall be determined by the Managing Member in its sole discretion), the Managing Member shall have the right to admit one or more additional persons into the Company as Regular Members or Special Members. Each such person shall make the representations with respect to itself set forth in Section 3.6. The Managing Member shall determine and negotiate with the additional Member all terms

of such additional Member's participation in the Company, including the additional Member's initial GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment Profit Sharing Percentage. Each additional Member shall have such voting rights as may be determined by the Managing Member from time to time unless, upon the admission to the Company of any Special Member, the Managing Member shall designate that such Special Member shall not have such voting rights (any such Special Member being called a " Nonvoting Special Member "). Any additional Member shall, as a condition to becoming a Member, agree to become a party to, and be bound by the terms and conditions of, the Trust Agreement.

(b) The GP-Related Profit Sharing Percentages to be allocated to an additional Member as of the date such Member is admitted to the Company, together with the pro rata reduction in all other Members' GP-Related Profit Sharing Percentages as of such date, shall be established by the Managing Member pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages to be allocated to an additional Partner as of the date such Partner is admitted to the Partnership, together with the *pro rata* reduction in all other Partners' Capital Commitment Profit Sharing Percentages as of such date, shall be established by the General Partner.

(c) An additional Member shall be required to contribute to the Company his pro rata share of the Company's total capital, excluding capital in respect of GP-Related Investments and Capital Commitment Investments in which such Member does not acquire any interests, at such times and in such amounts as shall be determined by the Managing Member in accordance with Sections 4.1 and 7.1.

(d) The admission of an additional Member will be evidenced by (i) the execution of a counterpart copy of this Agreement by such additional Member or (ii) the execution of an amendment to this Agreement by all the Members (including the additional Member), as determined by the Managing Member. In addition, each additional Member shall sign a counterpart copy of the Trust Agreement or any other writing evidencing the intent of such person to become a party to the Trust Agreement that is accepted by the Managing Member on behalf of the Company.

(e) (i) It is hereby agreed and acknowledged that BCA V has been admitted to the Company as a Special Member.

(ii) To the extent that a partner of BCA V satisfies the repurchase or other requirements set forth in the BCA V Partnership Agreement with respect to a GP-Related Investment, the corresponding portion of BCA V's GP-Related Interest in such GP-Related Investment shall also become vested (but only on those circumstances).

(iii) If a partner of BCA V "Withdraws" (as defined in the BCA V Partnership Agreement), the corresponding portion of BCA V's GP-Related Member Interest in the Company shall be treated as though BCA V had Withdrawn from the Company with respect to such GP-Related Member Interest. If a partner of BCA V "Withdraws" for "Cause" (each as defined in the BCA V Partnership Agreement), the corresponding portion of BCA V's GP-Related Member Interest in the Company shall be treated as though BCA V had Withdrawn from the Company for Cause with respect to such GP-Related Member Interest.

(iv) If a partner of BCA V becomes a "Defaulting Party" (as defined in the BCA V Partnership Agreement), the corresponding portion of BCA V's GP-Related Member Interest in the Company shall be treated as though BCA V had become a GP-Related Defaulting Party with respect to such GP-Related Member Interest.

(v) Notwithstanding Section 4.1(d) of the Agreement, the Company shall not contribute any amount of distributions to BCA V to the Trust; provided , that BCA V makes the contributions to the Trust on behalf of its partners in accordance with the BCA V Partnership Agreement.

6.2. Withdrawal of Members . (a) Any Member may Withdraw voluntarily from the Company on the last day of any calendar month (or on such other date as shall be determined by the Managing Member in its sole discretion), on not less than 15 days' prior written notice by such Member to the Managing Member (or on such shorter notice period as may be mutually agreed upon between such Member and the Managing Member); provided , that a Member may not voluntarily Withdraw without the consent of the Managing Member if such Withdrawal would (i) cause the Company to be in default under any of its contractual obligations or (ii) in the reasonable judgment of the Managing Member, have a material adverse effect on the Company or its business; provided further , that a Partner may Withdraw from the Company with respect to such Partner's GP-Related Member Interest without Withdrawing from the Company with respect to such Member's Capital Commitment Member Interest, and a Member may Withdraw from the Company with respect to such Member's Capital Commitment Member Interest without Withdrawing from the Company with respect to such Member's GP-Related Member Interest.

(b) Upon the Withdrawal of any Member, including by the occurrence of any withdrawal event under the LLC Act with respect to any Member, such Member shall thereupon cease to be a Member, except as expressly provided herein.

(c) Upon the Total Disability of a Regular Member, such Member shall thereupon cease to be a Regular Member with respect to such person's GP-Related Member Interest; provided , that the Managing Member may elect to admit such Withdrawn Member to the Company as a Nonvoting Special Member with respect to such person's GP-Related Member Interest, with such GP-Related Member Interest as the Managing Member may determine. The determination of whether any Member has suffered a Total Disability shall be made by the Managing Member in its sole discretion after consultation with a qualified medical doctor. In the absence of agreement between the Managing Member and such Member, each party shall nominate a qualified medical doctor and the two doctors shall select a third doctor, who shall make the determination as to Total Disability.

(d) If the Managing Member determines or with a Majority in Interest of the Members that it shall be in the best interests of the Company for any Member (including any Member who has given notice of voluntary Withdrawal pursuant to paragraph (a) above) to Withdraw from the Company (whether or not Cause exists) with respect to such person's GP-Related Member Interest and/or with respect to such person's Capital Commitment Member Interest, such Member, upon written notice by the Managing Member to such Member, shall be required to Withdraw with respect to such person's GP-Related Member Interest and/or with respect to such person's Capital Commitment Member Interest, as of a date specified in such notice, which date shall be on or after the date of such notice. If the Managing Member requires any Member to Withdraw for Cause with respect to such person's GP-Related Member Interest and/or with respect to such person's Capital Commitment Member Interest, such notice shall state that it has been given for Cause and shall describe the particulars thereof in reasonable detail.

(e) The withdrawal from the Company of any Member shall not, in and of itself, affect the obligations of the other Members to continue the Company during the remainder of its term.

6.3. GP-Related Member Interests Not Transferable . No Member may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Member's GP-Related Member Interest other than as permitted by written agreement between such Member and the Company; provided ,

that this Section 6.3 shall not impair transfers by operation of law, transfers by will or by other testamentary instrument occurring by virtue of the death or dissolution of a Member, or transfers required by trust agreements; provided further , that a Regular Member may transfer, for estate planning purposes, up to 25% of his GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership, or limited liability company with respect to which a Regular Member controls investments related to any interest in the Company held therein (an " Estate Planning Vehicle "). Each Estate Planning Vehicle will be a Nonvoting Special Member. Such Regular Member and the Nonvoting Special Member shall be jointly and severally liable for all obligations of both such Regular Member and such Nonvoting Special Member with respect to the Company (including the obligation to make additional GP-Related Capital Contributions), as the case may be. The Managing Member may at its sole option exercisable at any time require any Estate Planning Vehicle to withdraw from the Company on the terms of this Article VI. Except as provided in the second proviso to the first sentence of this Section 6.3, no assignee, legatee, distributee, heir or transferee (by conveyance, operation of law or otherwise) of the whole or any portion of any Member's GP-Related Member Interest shall have any right to be a Member without the prior written consent of the Managing Member (which consent may be withheld without giving reason therefor). Notwithstanding the granting of a security interest in the entire Interest of any Member, such Member shall continue to be a Member of the Company.

6.4. Consequences upon Withdrawal of a Member . (a) The Withdrawal of a Regular Member shall not dissolve the Company if at the time of such Withdrawal there are one or more remaining Regular Members and any one or more of such remaining Regular Members continue the business of the Company (any and all such remaining Regular Members being hereby authorized to continue the business of the Company without dissolution and hereby agreeing to do so). Notwithstanding Section 6.4(b), if upon the Withdrawal of a Regular Member there shall be no remaining Regular Member, the Company shall be dissolved and shall be wound up unless, within 90 days after the occurrence of such Withdrawal, all remaining Special Members agree in writing to continue the business of the Company and to the appointment, effective as of the date of such Withdrawal, of one or more Regular Members.

(b) The Company shall not be dissolved, in and of itself, by the Withdrawal of any Member, but shall continue with the surviving or remaining Members as members thereof in accordance with and subject to the terms and provisions of this Agreement.

6.5. Satisfaction and Discharge of a Withdrawn Member's GP-Related Interest . (a) The terms of this Section 6.5 shall apply to the GP-Related Member Interest of a Withdrawn Member, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Member Interest of a Withdrawn Member. The term " Settlement Date " shall mean the date as of which a Withdrawn Member's GP-Related Member Interest is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Regular Member who Withdraws from the Company, and all or any portion of whose GP-Related Member Interest is retained as a Special Member, shall be considered a Withdrawn Member for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Member's interest in the Company may be agreed to by the Managing Member and a Withdrawn Member, a Withdrawn Member's Settlement Date shall be his Withdrawal Date; provided, that if a Withdrawn Member's Withdrawal is not the last day of a month, then the Managing Member may elect for such Withdrawn Member's Settlement Date to be the last day of the month in which his Withdrawal Date occurs. During the interval, if any, between a Withdrawn Member's Withdrawal Date and Settlement Date, such Withdrawn Member shall have the same rights and obligations with respect to capital contributions, interest on capital, allocations of Net Income (Loss) and distributions as would have applied had such Withdrawn Member remained a Member of the Company during such period.

(c) In the event of the Withdrawal of a Member, the Managing Member shall promptly after such Withdrawn Member's Settlement Date (i) determine and allocate to the Withdrawn Member's GP-Related Capital Account such Withdrawn Member's allocable share of the GP-Related Net Income (Loss) of the Company for the period ending on such Settlement Date in accordance with Article V and (ii) credit the Withdrawn Member's GP-Related Capital Accounts with interest in accordance with Section 5.2. In making the foregoing calculations, the Managing Member shall be entitled to establish such reserves (including reserves for taxes, bad debts, unrealized losses, actual or threatened litigation or any other expenses, contingencies or obligations) as it deems appropriate. Unless otherwise determined by the Managing Member in a particular case, a Withdrawn Member shall not be entitled to receive any GP-Related Unallocated Percentage in respect of the accounting period during which such Member Withdraws from the Company (whether or not previously awarded or allocated) or any GP-Related Unallocated Percentage in respect of prior accounting periods that have not been paid or allocated (whether or not previously awarded) as of such Withdrawn Member's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Member, the Withdrawn Member's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the Managing Member pursuant to Section 5.3(a), be deemed to be GP-Related Unallocated Percentages (except for GP-Related Profit Sharing Percentages with respect to GP-Related Investments as provided in paragraph (f) below).

(e) (i) Upon the Withdrawal from the Company of a Member with respect to such Member's GP-Related Member Interest, such Withdrawn Member thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Member (including voting rights) with respect to such Member's GP-Related Member Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Member shall not have any interest in the Company's GP-Related Net Income (Loss), or in distributions, GP-Related Investments or other assets related to such Member's GP-Related Member Interest. If a Member Withdraws from the Company with respect to such Member's GP-Related Member Interest for any reason other than for Cause pursuant to Section 6.2, then the Withdrawn Member shall be entitled to receive, at the time or times specified in Section 6.5(i) below, in satisfaction and discharge in full of the Withdrawn Member's GP-Related Member Interest, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Member's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Member's percentage interest attributable to each GP-Related Investment in which the Withdrawn Member has an interest as of the Settlement Date as provided in paragraph (f) below (which shall be settled in accordance with paragraph (f) below), subject to all the terms and conditions of paragraphs (a)-(r) of this Section 6.5. If the amount determined pursuant to clause (x) above is an aggregate negative balance, the Withdrawn Member shall pay the amount thereof to the Company upon demand by the Managing Member on or after the date of the statement referred to in paragraph (i) below; provided , that if the Withdrawn Member was solely a Special Member on his Withdrawal Date, such payment shall be required only to the extent of any amounts payable to such Withdrawn Member pursuant to this Section 6.5. Any aggregate negative balance in the GP-Related Capital Accounts of a Withdrawn Member who was solely a Special Member, upon the settlement of such Withdrawn Member's GP-Related Member Interest pursuant to this Section 6.5, shall be allocated among the other Members' GP-Related Capital Accounts in accordance with their respective GP-Related Profit Sharing Percentages in the categories of GP-Related Net Income (Loss) giving rise to such negative balance as determined by the Managing Member as of such Withdrawn Member's Settlement Date. In the settlement of any Withdrawn Member's GP-Related Member Interest in the Company, no value shall be ascribed to goodwill, the Company name or the anticipation of any value the Company or any successor thereto might have in the event the Company or any interest therein were to be sold in whole or in part.

(ii) Notwithstanding clause (i) of this Section 6.5(e), in the case of a Member whose Withdrawal with respect to such Member's GP-Related Member Interest resulted from such Member's death or Incompetence, such Member's estate or legal representative, as the case may be, may elect, at the time described below, to receive a Nonvoting Special Member GP-Related Member Interest and retain such Member's GP-Related Profit Sharing Percentage in all (but not less than all) illiquid investments of the Company in lieu of a cash payment (or Note) in settlement of that portion the Withdrawn Member's GP-Related Member Interest. The election referred to above shall be made within 60 days after the Withdrawn Member's Settlement Date, based on a statement of the settlement of such Withdrawn Member's GP-Related Member Interest in the Company pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Member's "percentage interest" means his GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Member shall retain his percentage interest in such GP-Related Investment and shall retain his GP-Related Capital Account or portion thereof attributable to such GP-Related Investment, in which case such Withdrawn Member (a " Retaining Withdrawn Member ") shall become and remain a Special Member for such purpose (and, if the Managing Member so designates, such Special Member shall be a Nonvoting Special Member). The GP-Related Member Interest of a Retaining Withdrawn Member pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Member Interests of any kind hereunder and such other terms and conditions as are established by the Managing Member. At the option of the Managing Member in its sole discretion, the Managing Member and the Retaining Withdrawn Member may agree to have the Company acquire such GP-Related Member Interest without the approval of the other Members; provided , that the Managing Member shall reflect in the books and records of the Company the terms of any acquisition pursuant to this sentence.

(g) The Managing Member may elect, in lieu of payment in cash of any amount payable to a Withdrawn Member pursuant to paragraph (e) above, to (i) have the Company issue to the Withdrawn Member a subordinated promissory note as provided in paragraph (k) below and/or to (ii) distribute in kind to the Withdrawn Member such Withdrawn Member's pro rata share (as determined by the Managing Member) of any securities or other investments of the Company. If any securities or other investments are distributed in kind to a Withdrawn Member under this paragraph (g), the amount described in clause (x) of paragraph (e)(i) shall be reduced by the value of such distribution as valued on the latest balance sheet of the Company in accordance with generally accepted accounting principles or, if not appearing on such balance sheet, as reasonably determined by the Managing Member.

(h) [Intentionally omitted.]

(i) Within 120 days after each Settlement Date, the Managing Member shall submit to the Withdrawn Member a statement of the settlement of such Withdrawn Member's GP-Related Member Interest in the Company pursuant to this Section 6.5 together with any cash payment, subordinated promissory note (as referred to in paragraph (k) below) and in kind distributions to be made to such Member as shall be determined by the Managing Member. The Managing Member shall submit to the Withdrawn Member supplemental statements with respect to additional amounts payable to or by the Withdrawn Member in respect of the settlement of his GP-Related Member Interest in the Company (e.g. , payments in respect of GP-Related Investments pursuant to paragraph (f) above or adjustments to reserves pursuant to paragraph (j) below) promptly after such amounts are determined by the Managing Member. To the fullest extent permitted by law, such statements and the valuations on which they are based shall be accepted by the Withdrawn Member without examination of the accounting books and records of the Company or other inquiry. Any amounts payable by the Company to a Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior

payment or provision for payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to the applicable date of payment or distribution; provided , that such Withdrawn Member shall otherwise rank pari passu in right of payment (x) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year before the Withdrawal Date of the Withdrawn Member in question and (y) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year after the Withdrawal Date of the Withdrawn Member in question.

(j) If the aggregate reserves established by the Managing Member as of the Settlement Date in making the foregoing calculations should prove, in the determination of the Managing Member, to be excessive or inadequate, the Managing Member may elect, but shall not be obligated, to pay the Withdrawn Member or his estate such excess, or to charge the Withdrawn Member or his estate such deficiency, as the case may be.

(k) Any amounts owed by the Withdrawn Member to the Company at any time on or after the Settlement Date (e.g. , outstanding Company loans or advances to such Withdrawn Member) shall be offset against any amounts payable or distributable by the Company to the Withdrawn Member at any time on or after the Settlement Date or shall be paid by the Withdrawn Member to the Company, in each case as determined by the Managing Member. All cash amounts payable by a Withdrawn Member to the Company under this Section 6.5 shall bear interest from the due date to the date of payment at a floating rate equal to the lesser of (x) the rate of interest publicly announced from time to time by JPMorgan Chase Bank, N.A. in New York City as its prime rate and (y) the maximum rate of interest permitted by applicable law. The "due date" of amounts payable by a Withdrawn Member pursuant to Section 6.5(i) above shall be 120 days after a Withdrawn Member's Settlement Date. The "due date" of amounts payable to or by a Withdrawn Member in respect of GP-Related Investments for which the Withdrawn Member has retained a percentage interest in accordance with paragraph (f) above shall be 120 days after realization with respect to such GP-Related Investment. The "due date" of any other amounts payable by a Withdrawn Member shall be 60 days after the date such amounts are determined to be payable.

(l) At the time of the settlement of any Withdrawn Member's GP-Related Member Interest in the Company pursuant to this Section 6.5, the Managing Member may, to the fullest extent permitted by applicable law, impose any restrictions it deems appropriate on the assignment, pledge, encumbrance or other transfer by such Withdrawn Member of any interest in any GP-Related Investment retained by such Withdrawn Member, any securities or other investments distributed in kind to such Withdrawn Member or such Withdrawn Member's right to any payment from the Company.

(m) If a Member is required to Withdraw from the Company with respect to such Member's GP-Related Member Interest for Cause pursuant to Section 6.2(d), then his GP-Related Member Interest shall be settled in accordance with paragraphs (a)-(s) of this Section 6.5; provided , that the Managing Member may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement:

(i) In settling the Withdrawn Member's interest in any GP-Related Investment in which he has an interest as of his Settlement Date, the Managing Member may elect to (A) determine the GP-Related Unrealized Net Income (Loss) attributable to each such GP-Related Investment as of the Settlement Date and allocate to the appropriate GP-Related Capital Account of the Withdrawn Member his allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Member's GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Member with the balance of his GP-Related Capital Account or

portion thereof attributable to each such GP-Related Investment as of his Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his Settlement Date, which shall be forfeited by the Withdrawn Member or (C) apply the provisions of paragraph (f) above, provided , that the maximum amount of GP-Related Net Income (Loss) allocable to such Withdrawn Member with respect to any GP-Related Investment shall equal such Member's percentage interest of the GP-Related Unrealized Net Income, if any, attributable to such GP-Related Investment as of the Settlement Date (the balance of such GP-Related Net Income (Loss), if any, shall be allocated as determined by the Managing Member). The Withdrawn Member shall not have any continuing interest in any GP-Related Investment to the extent an election is made pursuant to (A) or (B) above.

(ii) Any amounts payable by the Company to the Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to or on or after the applicable date of payment or distribution.

(n) The payments to a Withdrawn Member pursuant to this Section 6.5 may be conditioned on the compliance by such Withdrawn Member with any lawful and reasonable (under the circumstances) restrictions against engaging or investing in a business competitive with that of the Company or any of its subsidiaries and affiliates for a period not exceeding two years determined by the Managing Member. Upon written notice to the Managing Member, any Withdrawn Member who is subject to noncompetition restrictions established by the Managing Member pursuant to this paragraph (o) may elect to forfeit the principal amount payable in the final installment of his subordinated promissory note under paragraph (k) above, together with interest to be accrued on such installment after the date of forfeiture, in lieu of being bound by such restrictions.

(o) In addition to the foregoing, the Managing Member shall have the right to pay a Withdrawn Member (other than the Managing Member) a discretionary additional payment in an amount and based upon such circumstances and conditions as it determines to be relevant.

(p) The provisions of this Section 6.5 shall apply to any Investor Special Member relating to a Regular Member or Special Member and to any transferee of any GP-Related Member Interest of such Member pursuant to Section 6.3 if such Member Withdraws from the Company.

(q) (i) The Company will assist a Withdrawn Member or his estate or guardian, as the case may be, in the settlement of the Withdrawn Member's GP-Related Member Interest in the Company. Third party costs incurred by the Company in providing this assistance will be borne by the Withdrawn Member or his estate.

(ii) The Company may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Members or their estates or guardians, as referred to above. In such instances, the Company will obtain the prior approval of a Withdrawn Member or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his estate or guardian) declines to incur such costs, the Company will provide such reasonable assistance as and when it can so as not to interfere with the Company's day-to-day operating, financial, tax and other related responsibilities to the Company and the Members.

(r) Each Member (other than the Managing Member) hereby irrevocably appoints the Managing Member as such Member's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file, on behalf of such

Member, any and all agreements, instruments, documents and certificates which the Managing Member deems necessary or advisable in connection with any transaction or matter contemplated by or provided for in this Section 6.5, including, without limitation, the performance of any obligation of such Member or the Company or the exercise of any right of such Member or the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Company of any Member for any reason and shall not be affected by the death, disability or incapacity of such Member.

6.6. Dissolution of the Company . The Managing Member may dissolve the Company prior to the expiration of its term at any time on not less than 60 days' notice of the dissolution date given to the other Members.

6.7. Certain Tax Matters . (a) All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members for Federal, state and local income tax purposes in the same manner as such items of income, gain, loss, deduction and credit shall be allocated among the Members pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. To the extent Treasury Regulations promulgated pursuant to Subchapter K of the Code (including under Sections 704(b) and (c) of the Code) or other applicable law require allocations for tax purposes that differ from the foregoing allocations, the Managing Member may determine the manner in which such tax allocations shall be made so as to comply more fully with such Treasury Regulations or other applicable law and, at the same time, preserve the economic relationships among the Members as set forth in this Agreement. In the event there is a net decrease in partnership minimum gain or partner nonrecourse debt minimum gain (determined in accordance with the principles of Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Company, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to its respective share of such net decrease during such year, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(f). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Regulations Section 1.704-1(b)(2)(ii)(d).

(b) The Managing Member shall cause to be prepared all Federal, state and local tax returns of the Company for each year for which such returns are required to be filed and, after approval of such returns by the Managing Member, shall cause such returns to be timely filed. The Managing Member shall determine the appropriate treatment of each item of income, gain, loss, deduction and credit of the Company and the accounting methods and conventions under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of any such item or any other method or procedure related to the preparation of such tax returns. The Managing Member may cause the Company to make or refrain from making any and all elections permitted by such tax laws. Each Member agrees that he shall not, unless he provides prior notice of such action to the Company, (i) treat, on his individual income tax returns, any item of income, gain, loss, deduction or credit relating to his interest in the Company in a manner inconsistent with the treatment of such item by the Company as reflected on the Form K-1 or other information statement furnished by the Company to such Member for use in preparing his income tax returns or (ii) file any claim for refund relating to any such item based on, or which would result in, such inconsistent treatment. In respect of an income tax audit of any tax return of the Company, the filing of any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company, or any administrative or judicial proceedings arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, (A) the Tax Matters Member (as defined below) shall be authorized to act for, and his decision shall be final and binding upon, the Company and all Members except to the extent a Member shall properly elect to be excluded from such proceeding pursuant to the Code, (B) all expenses incurred by the Tax Matters Member in connection therewith (including, without limitation, attorneys',

accountants' and other experts' fees and disbursements) shall be expenses of the Company and (C) no Member shall have the right to (1) participate in the audit of any Company tax return, (2) file any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company (unless he provides prior notice of such action to the Company as provided above), (3) participate in any administrative or judicial proceedings conducted by the Company or the Tax Matters Member arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, or (4) appeal, challenge or otherwise protest any adverse findings in any such audit conducted by the Company or the Tax Matters Member or with respect to any such amended return or claim for refund filed by the Company or the Tax Matters Member or in any such administrative or judicial proceedings conducted by the Company or the Tax Matters Member. The Company and each Member hereby designate any Member selected by the Managing Member as the "tax matters partner" for purposes of Section 6231(a)(7) of the Code (the " Tax Matters Member "). To the fullest extent permitted by applicable law, each Member agrees to indemnify and hold harmless the Company and all other Members from and against any and all liabilities, obligations, damages, deficiencies and expenses resulting from any breach or violation by such Member of the provisions of this Section 6.7 and from all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees and disbursements, incident to any such breach or violation.

(c) Each individual Member shall provide to the Company copies of each Federal, state and local income tax return of such Member (including any amendment thereof) within 30 days after filing such return.

6.8. Special Basis Adjustments . In connection with any assignment or transfer of a Company interest permitted by the terms of this Agreement, the Managing Member may cause the Company, on behalf of the Members and at the time and in the manner provided in Code Regulations Section 1.754-1(b), to make an election to adjust the basis of the Company's property in the manner provided in Sections 734(b) and 743(b) of the Code.

ARTICLE VII

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS; ALLOCATIONS; DISTRIBUTIONS

7.1. Capital Commitment Interests, etc . (a) This Article VII and Article VIII hereof set forth certain terms and conditions with respect to the Capital Commitment Member Interests and the Capital Commitment BCP V Interest and matters related to the Capital Commitment Member Interests and the Capital Commitment BCP V Interest. Except as otherwise expressly provided in this Article VII or in Article VIII, the terms and provisions of this Article VII and Article VIII shall not apply to the GP-Related Member Interests or the GP-Related BMA V Member Interest.

(b) Each Member, severally, agrees to make contributions of capital to the Company (" Capital Commitment-Related Capital Contributions ") as required to fund the Company's capital contribution in respect of the Capital Commitment BCP V Interest and the related Capital Commitment BCP V Commitment (including, without limitation, funding all or a portion of the Blackstone Capital Commitment). No Member shall be obligated to make contributions of capital to the Company in an amount in excess of such Member's Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements of the Members may include provisions with respect to the foregoing matters. It is understood that a Member will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Member necessarily have the same Capital Commitment Profit Sharing Percentage

with respect to (i) the Company's portion of the Blackstone Capital Commitment or (ii) the making of each Capital Commitment Investment in which such Member participates; provided , that this in no way limits the terms of any Commitment Agreement or SMD Agreement. In addition, nothing contained herein shall be construed to give any Member the right to obtain financing with respect to the purchase of any Capital Commitment Interest, and nothing contained herein shall limit or dictate the terms upon which the Company and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Member shall be evidenced by receipt by the Company of funds equal to such Member's Capital Commitment- Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the Managing Member may submit to the Members from time to time.

(c) The Company or one of its Affiliates (in such capacity, the " Advancing Party ") may in its sole discretion advance all or any portion of the Capital Commitment Capital Contributions due to the Company from any Member with respect to any Capital Commitment Investment (" Firm Advances "). Each such Member shall pay interest on each Firm Advance from the date of each such Firm Advance until the repayment thereof by such Member. Each Firm Advance shall be repayable in full, including accrued interest to the date of such repayment, upon prior written notice by the Advancing Party. The making and repayment of each Firm Advance shall be recorded in the books and records of the Company, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Member and the Advancing Party absent manifest error. Except as provided below, the interest rate applicable to a Firm Advance shall equal the cost of funds of the Advancing Party at the time of the making of such Firm Advance. The Advancing Party shall inform any Member of such rate upon such Member's request; provided , that amounts that are otherwise payable to such Member pursuant to Section 7.4(a) shall be used to repay such Firm Advance (including interest thereon). The Advancing Party may, in its sole discretion, change the terms of Firm Advances (including the terms contained herein) and/or discontinue the making of Firm Advances; provided , that (i) the Advancing Party shall notify the relevant Members of any material changes to such terms and (ii) the interest rate applicable to such Firm Advances and overdue amounts thereon shall not exceed the maximum interest rate allowable by applicable law.

7.2. Capital Commitment Capital Accounts . (a) There shall be established for each Member on the books of the Company as of the date of formation of the Company, or such later date on which such Member is admitted to the Company, and on each such other date as such Member first acquires a Capital Commitment Interest in a particular Capital Commitment Investment, a Capital Commitment Capital Account for each Capital Commitment Investment in which such Member acquires a Capital Commitment Interest on such date. Each Capital Commitment Capital Contribution of a Member shall be credited to the appropriate Capital Commitment Capital Account of such Member on the date such Capital Commitment Capital Contribution is paid to the Company. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Member's interest in the Company related to his Capital Commitment Member Interest as provided in this Agreement.

(b) A Member shall not have any obligation to the Company or to any other Member to restore any negative balance in the Capital Commitment Capital Account of such Member. Until distribution of any such Member's interest in the Company with respect to a Capital Commitment Interest as a result of the disposition by the Company of the related Capital Commitment Investment and in whole upon the dissolution of the Company, neither such member's Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the Managing Member.

7.3. Allocations . (a) Capital Commitment Net Income (Loss) of the Company for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital

Accounts of all the Members (including the Managing Member) participating in such Capital Commitment Investment in proportion to their respective Capital Commitment Profit Sharing Percentages for such Capital Commitment Investment. Capital Commitment Net Income (Loss) on any Unallocated Capital Commitment Interest shall be allocated to each Member in the proportion which such Member's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Members; provided, that if any Member makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Company for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Members participating in such Capital Commitment Investment who do not make such election in proportion to their respective Capital Commitment Profit Sharing Percentages for such Capital Commitment Investment.

(b) Any special costs relating to distributions pursuant to Section 7.6 or 7.7 shall be specially allocated to the electing Member.

7.4. Distributions . (a) Each Member's allocable portion of Capital Commitment Net Income received from his Capital Commitment Investments, distributions to such Member that constitute returns of capital, and other Capital Commitment Net Income of the Company (including, without limitation, Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a fiscal year of the Company will be credited to payment of the Investor Notes to the extent required below as of the last day of such fiscal year (or on such earlier date as related distributions are made in the sole discretion of the Managing Member) with any cash amount distributable to such Member pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each fiscal year of the Company (or in each case on such earlier date as selected by the Managing Member in its sole discretion) as follows (subject to Section 7.4(c) below):

(i) First, to the payment of interest then due on all Investor Notes (relating to Capital Commitment Investments or otherwise) of such Member (to the extent Capital Commitment Net Income and distributions or payments from Other Sources do not equal or exceed all interest payments due, the selection of those of such Member's Investor Notes upon which interest is to be paid and the division of payments among such Investor Notes to be determined by the Lender or Guarantor);

(ii) Second, to distribution to the Member of an amount equal to the Federal, state and local income taxes on income of the Company allocated to such Member for such year in respect of such Member's Capital Commitment Member Interest (the aggregate amount of any such distribution shall be determined by the Managing Member, subject to the limitation that the minimum aggregate amount of such distribution be the tax that would be payable if the taxable income of the Company related to all Members' Capital Commitment Member Interests were all allocated to an individual subject to the then-prevailing maximum Federal, New York State and New York City tax rates (taking into account the extent to which such taxable income allocated by the Company was composed of long-term capital gains and the deductibility of state and local income taxes for Federal income tax purposes)); provided , that additional amounts shall be paid to the Member pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Member pursuant to a comparable provision in any BFIP Agreement or in any BFREP Agreement, BFMEZP Agreement or BFCOMP Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership; provided further , that amounts paid pursuant to the provisions in such BFIP Agreements, BFREP Agreements, BFMEZP Agreements or BFCOMP Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Member pursuant to provisions in such BFIP Agreements, BFREP Agreements, BFMEZP Agreements or BFCOMP Agreements that are comparable to this clause (ii);

(iii) Third, to the payment in full of the principal amount of the Investor Note financing (A) any Capital Commitment Investment disposed of during or prior to such fiscal year or (B) any BFIP Investments (other than Capital Commitment Investments), BFREP Investments, BFMEZP Investments or BFCOMP Investments disposed of during or prior to such fiscal year, to the extent not repaid from Other Sources;

(iv) Fourth, to the return to such Member of (A) all Capital Commitment Capital Contributions made in respect of the Capital Commitment Interest to which any Capital Commitment Investment disposed of during or prior to such fiscal year relates or (B) all capital contributions made to BFIP (other than the Company), BFREP, BFMEZP or BFCOMP in respect of interests therein relating to BFIP Investments (other than Capital Commitment Investments), BFREP Investments, BFMEZP Investments or BFCOMP Investments disposed of during or prior to such fiscal year (including all principal paid on the related Investor Notes), to the extent not repaid from amounts of Other Sources (other than amounts of Capital Commitment Member Carried Interest);

(v) Fifth, to the payment of principal (including any previously deferred amounts) then owing under all other Investor Notes of such Member (including those unrelated to the Company), the selection of those of such Member's Investor Notes to be repaid and the division of payments among such Investor Notes to be determined by the Lender or Guarantor;

(vi) Sixth, up to 50% of any Capital Commitment Net Income remaining after application pursuant to clauses (i) through (v) above shall be applied pro rata to prepayment of principal of all remaining Investor Notes of such Member (including those unrelated to the Company), the selection of those of such Member's Investor Notes to be repaid, the division of payments among such Investor Notes and the percentage of remaining Capital Commitment Net Income to be applied thereto to be determined by the Lender or Guarantor; and

(vii) Seventh, to such Member to the extent of any amount of Capital Commitment Net Income remaining after making the distributions in clauses (i) through (vi) above, and such amount is not otherwise required to be applied to Investor Notes pursuant to the terms thereof.

(b) To the extent there is a partial disposition of a Capital Commitment Investment, any other BFIP Investment or any BFREP Investment, BFMEZP Investment or BFCOMP Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment, other BFIP Investment, BFREP Investment, BFMEZP Investment or BFCOMP Investment, as applicable, disposed of and the principal amount and related interest payments of such Investor Note shall be adjusted to reflect such partial payment so that there are equal payments over the remaining term of the related Investor Note. For a Member who is no longer an employee or officer of Holdings or its Affiliates, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the Company or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Member's Capital Commitment Member Interest shall be applied to the prepayment of the outstanding Investor Notes of such Member, until all such Member's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Member.

(c) Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the Managing Member. At the Managing Member's discretion, any amounts distributed to a Member in respect of such Member's Capital Commitment Member Interest will be net of any interest and principal payable on his Investor Notes for the full period in respect of which the distribution is made.

(d) [Intentionally omitted.]

(e) To the extent that the foregoing Company distributions and distributions and payments from Other Sources are insufficient to satisfy any principal and/or interest due on Investor Notes, and to the extent that the Managing Member in its sole discretion elect to apply this paragraph (e) to any individual payments due, such unpaid interest will be added to the remaining principal amount of such Investor Notes and shall be payable on the next scheduled principal payment date (along with any deferred principal and any principal and interest due on such date); provided , that such deferral shall not apply to a Member that is no longer an employee or officer of Holdings or an Affiliate thereof. All unpaid interest on such Investor Notes shall accrue interest at the interest rate then in effect for such Investor Notes.

(f) [Intentionally omitted.]

(g) The Capital Commitment Capital Account of each Member shall be reduced by the amount of any distribution to such Member pursuant to paragraph (a) of this Section 7.4.

(h) At any time that a sale, exchange, transfer or other disposition of a portion of a Capital Commitment Investment is being considered by the Company or BCP V (a " Capital Commitment Disposable Investment "), at the election of the Managing Member each Member's Capital Commitment Interest with respect to such Capital Commitment Investment shall be vertically divided into two separate Capital Commitment Interests, a Capital Commitment Interest attributable to the Capital Commitment Disposable Investment (a Member's " Capital Commitment Class B Interest "), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Member's " Capital Commitment Class A Interest "). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Company) relating to a Capital Commitment Disposable Investment shall be made only to holders of Capital Commitment Class B Interests with respect to such Capital Commitment Investment in accordance with their respective Capital Commitment Profit Sharing Percentages relating to such Capital Commitment Class B Interests, and distributions (including those resulting from the direct or indirect sale, transfer, exchange or other disposition by the Company) relating to a Capital Commitment Investment excluding such Capital Commitment Disposable Investment shall be made only to holders of Capital Commitment Class A Interests with respect to such Capital Commitment Investment in accordance with their respective Capital Commitment Profit Sharing Percentages relating to such Capital Commitment Class A Interests.

(i) (i) If the Company is obligated under the Giveback Provisions to contribute a Giveback Amount to BCP V in respect of the Company's Capital Commitment BCP V Interest (the amount of such obligation with respect to any Giveback Amount being herein called a " Capital Commitment Giveback Amount "), the Company shall call for such amounts as are necessary to satisfy such obligation as determined by the Managing Member, in which case each Member shall contribute to the Company, in cash, when and as called by the Company, such an amount of prior distributions by the Company with respect to the Capital Commitment BCP V Interest (the " Capital Commitment Recontribution Amount ") which equals such Member's pro rata share of prior distributions in connection with (a) the Capital Commitment BCP V Investment giving rise to the Capital Commitment Giveback Amount, (b) if the amounts contributed pursuant to clause (a) above are insufficient to satisfy such Capital Commitment Giveback Amount, Capital Commitment BCP V Investments other than the one giving rise to such obligation and (c) all Capital Commitment BCP V Investments, if the Giveback is an Other Giveback (as defined in the BCP V Partnership Agreement). Each Member shall promptly contribute to the Company upon notice thereof such Member's Capital Commitment Recontribution Amount. Prior to such time, the Company may, at the Managing Member's discretion (but shall be under no obligation to), provide notice that in the Managing Member's judgment, the potential obligations in respect of the Capital Commitment Giveback Amount will probably materialize (and an estimate of the aggregate amount of such obligations).

(ii) (A) In the event any Member (a " Capital Commitment Defaulting Party ") fails to recontribute all or any portion of such Capital Commitment Defaulting Party's Capital Commitment Recontribution Amount for any reason, the Company shall require all other Members and Withdrawn Members to contribute, on a pro rata basis (based on each of their respective Capital Commitment Profit Sharing Percentages), such amounts as are necessary to fulfill the Capital Commitment Defaulting Party's obligation to pay such Capital Commitment Defaulting Party's Capital Commitment Recontribution Amount (a " Capital Commitment Deficiency Contribution ") if the Managing Member determines in its good faith judgment that the Company will be unable to collect such amount in cash from such Capital Commitment Defaulting Party for payment of the Capital Commitment Giveback Amount at least 20 Business Days prior to the latest date that the Company is permitted to pay the Capital Commitment Giveback Amount; provided , that no Member shall as a result of such Capital Commitment Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of the Capital Commitment Recontribution Amount initially requested from such Member in respect of such default. Thereafter, the Managing Member shall determine in its good faith judgment that the Company should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the Managing Member or (2) pursue any and all remedies (at law or equity) available to the Company against the Capital Commitment Defaulting Party, the cost of which shall be a Company expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Company shall have the right (effective upon such Capital Commitment Defaulting Party becoming a Capital Commitment Defaulting Party) to set-off as appropriate and apply against such Capital Commitment Defaulting Party's Capital Commitment Recontribution Amount any amounts otherwise payable to the Capital Commitment Defaulting Party by the Company or any Affiliate thereof. Each Member hereby grants to the Company a security interest, effective upon such Member becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Company or any Affiliate of the Company and agrees that, upon the effectiveness of such security interest, the Company may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member hereby appoints the Company as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Member or in the name of the Company, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Company shall be entitled to collect interest on the Capital Commitment Recontribution Amount of a Capital Commitment Defaulting Party from the date such Capital Commitment Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(B) Any Member's failure to make a Capital Commitment Deficiency Contribution shall cause such Member to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Member's obligation to make contributions to the Company under this Section 7.4(g) shall survive the termination of the Company.

7.5. Valuations . Capital Commitment Investments shall be valued annually as of the end of each year (and at such other times as deemed appropriate by the Managing Member) in accordance with the principles utilized by BMA V (or any other Affiliate that is a general partner of BCP V) in valuing investments of BCP V or, in the case of investments not held by BCP V, in the good faith

judgment of the Managing Member, subject in each case to the second proviso of the immediately succeeding sentence. The value of any Capital Commitment Interest as of any date (the " Capital Commitment Value ") shall be based on the value of the underlying Capital Commitment Investment as set forth above; provided , that the Capital Commitment Value may be determined as of an earlier date if determined appropriate by the Managing Member in good faith; provided further , that such value may be adjusted by the Managing Member to take into account factors relating solely to the value of a Capital Commitment Interest (as compared to the value of the underlying Capital Commitment Investment), such as restrictions on transferability, the lack of a market for such Capital Commitment Interest and lack of control of the underlying Capital Commitment Investment. To the full extent permitted by applicable law such valuations shall be final and binding on all Members; provided further , that the immediately preceding proviso shall not apply to any Capital Commitment Interests held by a person who is or was at any time a direct Member of the Company.

7.6. Disposition Election . (a) At any time prior to the date of the Company's execution of a definitive agreement to dispose of a Capital Commitment Investment, the Managing Member may in its sole discretion permit a Member to retain all or any portion of its pro rata share of such Capital Commitment Investment (as measured by such Member's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the Managing Member so permits, such Member shall instruct the Managing Member in writing prior to such date (i) not to dispose of all or any portion of such Member's pro rata share of such Capital Commitment Investment (the "Retained Portion") and (ii) either to (A) distribute such Retained Portion to such Member on the closing date of such disposition or (B) retain such Retained Portion in the Company on behalf of such Member until such time as such Member shall instruct the Managing Member upon 5 days notice to distribute such Retained Portion to such Member. Such Member's Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Company of such Retained Portion or the Company's disposition of other Members' pro rata shares of such Capital Commitment Investment; provided, that such Member's Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Member or upon distribution of proceeds with respect to a subsequent disposition thereof by the Company.

(b) No distribution of such Retained Portion shall occur unless any Investor Notes relating thereto shall have been paid in full prior to or simultaneously with such distribution.

7.7. Capital Commitment Special Distribution Election . (a) From time to time during the term of this Agreement, the Managing Member may in its sole discretion, upon receipt of a written request from a Member, distribute to such Member any portion of its pro rata share of a Capital Commitment Investment (as measured by such Member's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a " Capital Commitment Special Distribution "). Such Member's Capital Commitment Capital Account shall be adjusted upon distribution of such Capital Commitment Special Distribution.

(b) No Capital Commitment Special Distributions shall occur unless any Investor Notes relating thereto shall have been paid in full prior to or simultaneously with such Capital Commitment Special Distribution.

ARTICLE VIII

WITHDRAWAL, ADMISSION OF NEW MEMBERS

8.1. Member Withdrawal; Repurchase of Capital Commitment Interests . (a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as not

subject to repurchase for purposes hereof based upon the proportion of (a) the sum of Capital Commitment Capital Contributions not financed by an Investor Note with respect to each Capital Commitment Interest and principal payments on the related Investor Note to (b) the sum of the Capital Commitment Capital Contributions not financed by an Investor Note with respect to such Capital Commitment Interest, the original principal amount of such Investor Note and all deferred amounts of interest which from time to time comprise part of the principal amount of the Investor Note. A Member may prepay a portion of any outstanding principal on the Investor Notes; provided , that in the event that a Member prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Member is no longer an employee or officer of Holdings or an Affiliate thereof, the Company (or its designee) shall have the right, in its sole discretion, to purchase the Capital Commitment Interest that became Non-Contingent as a result of such prepayment; provided further , that the purchase price for such Capital Commitment Interest shall be determined in accordance with the determination of the purchase price of a Member's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Member shall apply pro rata against all of such Member's Investor Notes; provided , that such Member may request that such prepayments be applied only (w) to Investor Notes relating to BFIP Investments or (x) to Investor Notes relating to BFREP Investments or (y) to Investor Notes relating to BFMEZP Investments or (z) to Investor Notes relating to BFCOMP Investments. Except as expressly provided herein, Capital Commitment Interests that were not financed in any respect with Investor Notes shall be treated as Non-Contingent Capital Commitment Interests.

(b) Upon a Member ceasing to be an officer or employee of the Company or any of its Affiliates, other than as a result of such Member dying or suffering a Total Disability, such Member (the " Withdrawn Member ") and the Company or any other person designated by the Managing Member shall each have the right (exercisable by the Withdrawn Member within 30 days and by the Company or its designee(s) within 45 days of such Member's ceasing to be such an officer or employee) or any time thereafter, upon 30 days notice, but not the obligation, to require the Company, subject to the LLC Act, to buy (in the case of exercise of such right by such Withdrawn Member) or the Withdrawn Member to sell (in the case of exercise of such right by the Company or its designee(s)) all (but not less than all) such Withdrawn Member's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest will be an amount equal to (i) the outstanding principal amount of the related Investor Note plus accrued interest thereon to the date of purchase (such portion of the purchase price to be made in cash) and (ii) an additional amount (the " Adjustment Amount ") equal to (x) all interest paid by the Member on the portion of the principal amount of the Investor Note relating to the portion of the related Capital Commitment Interest remaining Contingent plus (y) all Capital Commitment Net Losses allocated to the Withdrawn Member on the Contingent portion of such Capital Commitment Interest minus (z) all Capital Commitment Net Income allocated to the Withdrawn Member on the Contingent portion of such Capital Commitment Interest; provided , that, if the Withdrawn Member was terminated from employment or his position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the Managing Member's sole discretion, may be deemed to equal zero. The Adjustment Amount shall, if positive, be payable by the holders of the purchased Capital Commitment Interests to the Withdrawn Member from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Member's Capital Commitment Interests at the time such Capital Commitment Net Income is received. If the Adjustment Amount resulting from an exchange is negative, it shall be payable to the holders of the purchased Capital Commitment Interest by the Withdrawn Member at the time such Capital Commitment Net Income is received by the Withdrawn Member from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Member's Capital Commitment Interests or, if the Company or its designee(s) elect to purchase such Withdrawn Member's Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Member at the time of such purchase; provided , that the Company and its Affiliates may offset any amounts otherwise owing to a Withdrawn Member against any Adjustment

Amount owed by such Withdrawn Member. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Member's Contingent Capital Commitment Interests, his related Investor Note shall be payable in full. If neither the Withdrawn Member nor the Company nor its designee(s) exercise the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Member shall retain the Contingent portion of his Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Member in his individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Member at his option, and the Company shall apply such prepayments against outstanding Investor Notes on a pro rata basis. To the extent that another Member purchases a portion of a Capital Commitment Interest of a Withdrawn Member, the purchasing Member's Capital Commitment Capital Account and Capital Commitment Profit Sharing Percentage for such Capital Commitment Investment shall be correspondingly increased.

(c) Upon the occurrence of a Final Event with respect to any Member, such Member shall thereupon cease to be a Member with respect to such Member's Capital Commitment Member Interest. If such a Final Event shall occur, no Successor in Interest to any such Member shall for any purpose hereof become or be deemed to become a Member. The sole right, as against the Company and the remaining Members, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Member shall be to receive any distributions and allocations with respect to such Member's Capital Commitment Member Interest pursuant to Article VII and this Article VIII, subject to the right of the Company to purchase the Capital Commitment Interests of such former Member pursuant to Section 8.1(b) or Section 8.1(d)) to the extent, at the time, in the manner and in the amount otherwise payable to such Member had such a Final Event not occurred, and no other right shall be acquired hereunder by, or shall result hereunder to, a Successor in Interest to such Member, whether by operation of law or otherwise. Until distribution of any such Member's interest in the Company upon the dissolution of the Company as provided in Section 9.2, neither his Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption without the consent of the Managing Member. The Company shall be entitled to treat any Successor in Interest to such Member as the only person entitled to receive distributions and allocations hereunder with respect to such Member's Capital Commitment Member Interest.

(d) If a Member dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Member shall be purchased by the Company or its designee (within 30 days of the first date on which the Company knows or has reason to know of such Member's death or Total Disability) as provided in Section 8.1(b) (except that any Adjustment Amount shall be payable by or to the estate or personal representative in cash) and any Investor Notes financing such Contingent Capital Commitment Interests shall thereupon be prepaid as provided in Section 8.1(b). In addition, in the case of the death or Total Disability of a Member, if the estate or personal representative of such Member so requests in writing within 180 days of the Member's death or ceasing to be an employee or member (directly or indirectly) of the Company or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Company or its designee may but is not obligated to purchase for cash all (but not less than all) Non-Contingent Capital Commitment Interests of such Member as of the last day of the Company's then current fiscal year at a price equal to the Capital Commitment Value thereof. Each Member shall be required to include appropriate provisions in his will to reflect such provisions of this Agreement. In addition, the Company may, in the sole discretion of the Managing Member, upon notice to the estate or personal representative of such Member within 30 days of the first date on which the Company knows or has reason to know of such Member's death or Total Disability, determine either (i) to distribute Securities or other property to the estate or personal representative in exchange for such Non-Contingent Capital Commitment Interests as provided in Section 8.1 (e) or (ii) to require sale of such Non-Contingent Capital Commitment Interests to the Company or its

designee as of the last day of any fiscal year of the Company (or earlier period, as determined by the Managing Member in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Member as a Member with respect to any Non-Contingent Capital Commitment Interests, the Managing Member may, in its sole discretion, by notice to such Withdrawn Member within 45 days of his ceasing to be an employee or officer of the Company or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Member the pro rata portion of the Securities or other property underlying such Withdrawn Member's Non-Contingent Capital Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his Non-Contingent Capital Commitment Interests in the Company or (2) to cause, as of the last day of any fiscal year of the Company (or earlier period, as determined by the Managing Member in its sole discretion), the Company or another person designated by the Managing Member (who may be itself another Member or another Affiliate of the Company) to purchase all (but not less than all) of such Withdrawn Member's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The Managing Member shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Member's execution and delivery to the Company of an appropriate irrevocable proxy, in favor of the Company or its nominee, relating to such Securities.

(f) The Company may subsequently transfer any Unallocated Capital Commitment Interest or portion thereof which is purchased by it as described above to any other person approved by the Managing Member. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the Company's designee(s), Holdings may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Company, the transferee or the designee-purchaser(s), as applicable. To the extent that a Withdrawn Member's Capital Commitment Interests (or portions thereof) are repurchased by the Company and not transferred to or purchased by another person, all or any portion of such repurchased Capital Commitment Interests may, in the sole discretion of the Managing Member, (i) be allocated to each Member already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Member in the Company, whether or not already participating in such Capital Commitment Investment, and/or (iii) continue to be held by the Company itself as an unallocated Capital Commitment Investment (such Capital Commitment Interests being herein called " Unallocated Capital Commitment Interests "). To the extent that a Capital Commitment Interest is allocated to Members as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Company to finance such repurchase shall also be allocated to such Members. All such Capital Commitment Interests allocated to Members shall be deemed to be Contingent and shall become Non-Contingent as and to the extent that the principal amount of such related indebtedness is repaid. The Members receiving such allocations shall be responsible for such related indebtedness only on a nonrecourse basis to the extent appropriate as provided in this Agreement, except as such Members and the Managing Member shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the Company may require an assumption by the Members of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Members; provided , that a Member shall not, except as set forth in his Investor Note, be obligated to accept any personally recourse obligation unless his prior consent is obtained. So long as the Company itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Company and any indebtedness financing the Unallocated Capital Commitment Interests shall be an obligation of the Company to which all income of the Company is subject except as otherwise agreed by the lender of such indebtedness. Any Capital Commitment Net Income (Loss) on an Unallocated Capital Commitment Interest shall be allocated to each Member in the proportion his aggregate Capital

Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Members; debt service on such related financing will be an expense of the Company allocable to all Members in such proportions.

(g) If a Member is required to Withdraw from the Company with respect to such Member's Capital Commitment Member Interest for Cause, then his Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided , that if such Member was not at any time a direct Regular Member of the Company, the Managing Member may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement:

(i) purchase for cash all of such Withdrawn Member's Non-Contingent Capital Commitment Interests. The purchase price for each such Non-Contingent Capital Commitment Interest shall be the lower of (A) the original cost of such Non-Contingent Capital Commitment Interest or (B) an amount equal to the Capital Commitment Value thereof;

(ii) allow the Withdrawn Member to retain such Non- Contingent Capital Commitment Interests; provided , that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Member with respect to any Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Member if such Capital Commitment Investment had been sold as of the Settlement Date at the then prevailing Capital Commitment Value thereof; or

(iii) in lieu of cash, purchase such Non-Contingent Capital Commitment Interests by providing the Withdrawn Member with a promissory note in the amount determined in (i) above. Such promissory note shall have a maximum term of ten (10) years with interest at the Federal Funds Rate.

(h) The Company will assist a Withdrawn Member or his estate or guardian, as the case may be, in the settlement of the Withdrawn Member's Capital Commitment Member Interest in the Company. Third party costs incurred by the Company in providing this assistance will be borne by the Withdrawn Member or his estate.

(i) The Company may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Members or their estates or guardians, as referred to above. In such instances, the Company will obtain the prior approval of a Withdrawn Member or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his estate or guardian) declines to incur such costs, the Company will provide such reasonable assistance as and when it can so as not to interfere with the Company's day-to-day operating, financial, tax and other related responsibilities to the Company and the Members.

(j) Each Member hereby irrevocably appoints the Managing Member as such Member's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file, on behalf of such Member, any and all agreements, instruments, documents and certificates which such Managing Member deems necessary or advisable in connection with any transaction or matter contemplated by or provided for in this Section 8.1, including, without limitation, the performance of any obligation of such Member or the Company or the exercise of any right of such Member or the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Company of any Member for any reason and shall not be affected by the death, disability or incapacity of such Member.

8.2. Transfer of Member's Capital Commitment Interest . Except as otherwise agreed by the Managing Member, no Member or former Member shall have the right to sell, assign, mortgage, pledge or otherwise dispose of or transfer (" Transfer ") all or part of any such Member's Capital Commitment Member Interest in the Company; provided , that this Section 8.2 shall in no way impair Transfers (i) as permitted in Section 8.1 above, in the case of the purchase of a Withdrawn Member's or deceased or Totally Disabled Member's Capital Commitment Interests, (ii) Transfers by a Member to another Member of Non- Contingent Capital Commitment Interests, (iii) Transfers of up to 25% of a Regular Member's Capital Commitment Member Interest to an Estate Planning Vehicle and (iv) with the prior written consent of the Managing Member (which consent may be withheld without giving any reason therefor). No person acquiring an interest in the Company pursuant to this Section 8.2 shall become a Member of the Company, or acquire such Member's right to participate in the affairs of the Company, unless such person shall be admitted as a Member pursuant to Section 6.1. A Member shall not cease to be a Member of the Company upon the collateral assignment of, or the pledging or granting of a security interest in, its entire Interest in the Company in accordance with the provisions of this Agreement.

8.3. Compliance with Law . Notwithstanding any provision hereof to the contrary, no sale or Transfer of a Capital Commitment Interest in the Company may be made except in compliance with all Federal, state and other applicable laws, including Federal and state securities laws.

ARTICLE IX

DISSOLUTION

9.1. Dissolution . The Company shall be dissolved and subsequently terminated:

(a) pursuant to Section 6.6; or

(b) upon the expiration of the Term.

9.2. Final Distribution . Upon the dissolution of the Company, and following the payment of creditors of the Company and the making of provisions for the payment of any contingent, conditional or unmatured claims known to the Company as required under the LLC Act:

(a) The Members' respective interests in the Company shall be valued and settled in accordance with the procedures set forth in Section 6.5 which provide for allocations to the GP-Related Capital Accounts of the Members and distributions in accordance with the GP-Related Capital Account balances of the Members; and

(b) With respect to each Member's Capital Commitment Member Interest, an amount shall be paid to such Member in cash or Securities in an amount equal to such Member's respective Capital Commitment Liquidating Share for each Capital Commitment Investment; provided , that if the remaining assets relating to any Capital Commitment Investment shall not be equal to or exceed the aggregate Capital Commitment Liquidating Shares for such Capital Commitment Investment, to each Member in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Company related to the Members' Capital Commitment Member Interests shall be paid to the Members in cash or Securities in proportion to their respective Capital Commitment Profit Sharing Percentages for each Capital Commitment Investment from which such cash or Securities are derived.

The Managing Member shall be the liquidator. In the event that the Managing Member is unable to serve as liquidator, a liquidating trustee shall be chosen by the affirmative vote of a Majority in Interest of the Members voting at a meeting of Members (excluding Nonvoting Special Members).

9.3. Amounts Reserved Related to Capital Commitment Member Interests . (a) If there are any Securities or other property or other investments or securities related to the Members' Capital Commitment Member Interests which, in the judgment of the liquidator, cannot be sold, or properly distributed in kind in the case of dissolution, without sacrificing a significant portion of the value thereof, the value of a Member's interest in each such Security or other investment or security may be excluded from the amount distributed to the Members participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Member, including his pro rata interest in any gains, losses or distributions, in Securities or other property or other investments or securities so excluded shall not be paid or distributed until such time as the liquidator shall determine.

(b) If there is any pending transaction, contingent liability or claim by or against the Company related to the Members' Capital Commitment Member Interests as to which the interest or obligation of any Member therein cannot, in the judgment of the liquidator, be then ascertained, the value thereof or probable loss therefrom may be deducted from the amount distributable to such Member pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or charged to any such Member on account of any such transaction or claim until its final settlement or such earlier time as the liquidator shall determine. The Company may meanwhile retain from other sums due such Member in respect of such Member's Capital Commitment Member Interest an amount which the liquidator estimates to be sufficient to cover the share of such Member in any probable loss or liability on account of such transaction or claim.

(c) Upon determination by the liquidator that circumstances no longer require the exclusion of any Securities or other property or retention of sums as provided in paragraphs (a) and (b) of this Section 9.3, the liquidator shall, at the earliest practicable time, distribute as provided in clause (ii) of Section 9.2(b) such sums or such Securities or other property or the proceeds realized from the sale of such Securities or other property to each Member from whom such sums or Securities or other property were withheld.

ARTICLE X

MISCELLANEOUS

10.1. Submission to Jurisdiction; Waiver of Jury Trial . (a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the Managing Member may bring, or may cause the Company to bring, on behalf of the Managing Member or the Company or on behalf of one or more Members, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an

arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Member (i) expressly consents to the application of paragraph (c) of this Section 10.1 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Managing Member as such Member's agent for service of process in connection with any such action or proceeding and agrees that service of process upon any such agent, who shall promptly advise such Member of any such service of process, shall be deemed in every respect effective service of process upon the Member in any such action or proceeding.

(c) (i) EACH MEMBER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 10.1, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the forum(s) designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 10.1 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 10.1 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq .) (the " Delaware Arbitration Act "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 10.1, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 10.1. In that case, this Section 10.1 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 10.1 shall be construed to omit such invalid or unenforceable provision.

10.2. Ownership and Use of the Company Name . The Company acknowledges that Blackstone Financial Services Inc. (" BFS "), a Delaware corporation with a principal place of business at 345 Park Avenue, New York, New York 10154, (or its successors or assigns) is the sole and exclusive owner of the mark and name BLACKSTONE and that the ownership of, and the right to use, sell or otherwise dispose of, the firm name or any abbreviation or modification thereof which consists of or includes BLACKSTONE, shall belong exclusively to BFS, which company (or its predecessors, successors or assigns) has licensed the Company to use BLACKSTONE in its name. The Company acknowledges that BFS owns the service mark BLACKSTONE for various services and that the Company is using the BLACKSTONE mark and name on a non-exclusive, non-sublicensable and non-assignable basis in connection with its business and authorized activities with the permission of BFS. All services rendered by the Company under the BLACKSTONE mark and name will be rendered in a manner and with quality levels that are consistent with the high reputation heretofore developed for the BLACKSTONE mark by BFS and its affiliates and licensees. The Company understands that BFS may terminate its right to use BLACKSTONE at any time in BFS sole discretion by giving the Company written notice of termination. Promptly following any such termination, the Company will take all steps necessary to change its company name to one which does not include BLACKSTONE or any confusingly similar term and cease all use of BLACKSTONE or any term confusingly similar thereto as a service mark or otherwise.

10.3. Written Consent . Any action required or permitted to be taken by a vote of Members at a meeting may be taken without a meeting if a Majority in Interest of the Members consent thereto in writing.

10.4. Letter Agreements; Schedules . The Managing Member may, or may cause the Company to, enter into separate letter agreements with individual Members, officers or employees with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages, benefits or any other matter, in each case on terms and conditions not inconsistent with this Agreement. The Managing Member may from time to time execute and deliver to the Members schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment Profit Sharing Percentages of the Members and any other matters deemed appropriate by the Managing Member. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever; provided , that this in no way limits the effectiveness of any Commitment Agreement.

10.5. Governing Law; Separability of Provisions . This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to principles of conflict of laws. In particular, the Company has been formed pursuant to the LLC Act, and the rights and liabilities of the Members shall be as provided therein, except as herein otherwise expressly provided. If any provision of this Agreement shall be held to be invalid, such provision shall be given its meaning to the maximum extent permitted by law and the remainder of this Agreement shall not be affected thereby.

10.6. Successors and Assigns . This Agreement shall be binding upon and shall, subject to the penultimate sentence of Section 6.3 (a), inure to the benefit of the parties hereto, their respective heirs and personal representatives, and any successor to a trustee of a trust which is or becomes a party hereto; provided , that no person claiming by, through or under a Member (whether such Member's heir, personal representative or otherwise), as distinct from such Member itself, shall have any rights as, or in respect to, a Member (including the right to approve or vote on any matter or to notice thereof) except the right to receive only those distributions expressly payable to such person pursuant to Articles VI and VIII. Any Member or Withdrawn Member shall remain liable for the obligations under this Agreement (including any Net GP-Related Recontribution Amounts and any Capital Commitment Recontribution Amount) of any transferee of all or any portion of such Member's or Withdrawn Member's interest in the Company, unless waived by the Managing Member. The Company shall, if the Managing Member determine, in its good faith judgment, based on the standards set forth in Sections 5.8(d)(ii)(A) and 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Recontribution Amounts and/or Capital Commitment Recontribution Amounts) from the transferee with respect to any such obligations. Nothing in this Agreement is intended, nor shall anything herein be construed, to confer any rights, legal or equitable, on any person other than the Members and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, the provisions of Section 5.8(d) (and the definitions relating thereto) shall inure to the benefit of the limited partners in BCP V, such limited partners are intended third party beneficiaries of Section 5.8(d) (and the definitions relating thereto) and such limited partners shall have the right to enforce the provisions thereof to the extent Other Fund GPs do not satisfy the Clawback Provisions and/or the Giveback Provisions. The amendment of the provisions of Section 5.8(d) (and the definitions relating thereto) shall be effective against such limited partners only with the consent of the limited partners of BCP V as set forth in the BCP V Agreements.

10.7. Confidentiality . By executing this Agreement, each Member expressly agrees, at all times during the term of the Company and thereafter and whether or not at the time a Member of the Company, to maintain the confidentiality of, and not to disclose to any person other than the Company, another Member or a person designated by the Company, any information relating to the business, financial structure, financial position or financial results, clients or affairs of the Company that shall not be generally known to the public or the securities industry, except as otherwise required by law or by any regulatory or self-regulatory organization having jurisdiction; provided , that any corporate Member may disclose any such information it is required by law, rule, regulation or custom to disclose.

Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulation Section 1.6011-4(b)(3)(i), each Member (and any employee, representative or other agent of such Member) may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the Company, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Members or any existing or future investor (or any affiliate thereof) in any of the Members, or (b) any investment or transaction entered into by the Members; (2) any performance information relating to any of the Members or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Members, does not constitute such tax treatment or tax structure information.

10.8. Notices . Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including telecopy or similar writing) and shall be given to any Member at its address or telecopy number shown in the Company's books and records or, if given to the Managing Member, at the address of the Company provided herein. Each such notice shall be effective (i) if given by telecopy, upon dispatch, and (ii) if given by hand delivery, when delivered to the address of such Member or Managing Member specified as aforesaid.

10.9. Counterparts . This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute a single instrument.

10.10. Power of Attorney . Each Member hereby irrevocably appoints the Managing Member as such Member's true and lawful representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file all instruments, documents and certificates which, from time to time, may be required to set forth any amendment to this Agreement or may be required by this Agreement or by the laws of the United States of America, the State of Delaware or any other state in which the Company shall determine to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the subsequent Withdrawal from the Company of any Member for any reason and shall not be affected by the subsequent disability or incapacity of such Member.

10.11. Member's Will . Each Member and Withdrawn Member shall include in his or her will a provision that addresses certain matters in respect of his or her obligations relating to the Company that is satisfactory to the Managing Member and each such Member and Withdrawn Member shall confirm annually to the Company, in writing, that such provision remains in his current will. Where applicable, any estate planning trust of such Member or Withdrawn Member to which a portion of such Member's or Withdrawn Member's Interest is transferred shall include a provision substantially similar to such provision and the trustee of such trust shall confirm annually to the Company, in writing, that such provision or its substantial equivalent remains in such trust. In the event any Member or Withdrawn Member fails to comply with the provisions of this Section 10.11 after the Company has notified such Member or Withdrawn Member of his failure to so comply and such failure to so comply is not cured within 30 days of such notice, the Company may withhold any and all distributions to such Member until the time at which such party complies with the requirements of this Section 10.11.

10.12. Cumulative Remedies . Rights and remedies under this Agreement are cumulative and do not preclude use of other rights and remedies available under applicable law.

10.13. Legal Fees . Except as more specifically provided herein, in the event of a legal dispute (including litigation, arbitration or mediation) between any Member or Withdrawn Member and the Company, arising in connection with any party seeking to enforce Section 4.1 (d) or any other provision of this Agreement relating to the Holdback, the Clawback Amount, the GP-Related Giveback

Amount, the Capital Commitment Giveback Amount, the Net GP-Related Recontribution Amount or the Capital Commitment Recontribution Amount, the "losing" party to such dispute shall promptly reimburse the "victorious party" for all reasonable legal fees and expenses incurred in connection with such dispute (such determination to be made by the relevant adjudicator). Any amounts due under this Section 10.13 shall be paid within 30 days of the date upon which such amounts are due to be paid and such amounts remaining unpaid after such date shall accrue interest at the Default Interest Rate.

10.14. Entire Agreement . This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. Subject to Section 10.4, this Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written. In the event that it is impracticable to obtain the signature of any of the Members to this Agreement, this Agreement shall be binding among the other Members executing the same.

MANAGING MEMBER:

BLACKSTONE HOLDINGS III L.P.

By: Blackstone Holdings III GP L.L.C., its General Partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Authorized Person

Exhibit 10.13

BLACKSTONE REAL ESTATE MANAGEMENT ASSOCIATES INTERNATIONAL L.P.

SECOND AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP

DATED AS OF MAY 31, 2007

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BLACKSTONE REAL ESTATE MANAGEMENT ASSOCIATES INTERNATIONAL L.P.

SECOND AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP of Blackstone Real Estate Management Associates International L.P. (the " *Partnership* "), dated as of May 31, 2007, by and among BREA International (Cayman) Ltd., a Cayman Islands limited company (" *BREA (Cayman)* " or the " *General Partner* "), and the limited partners (including special limited partners) as provided on the signature pages hereto, as Limited Partners.

PRELIMINARY STATEMENT

The Partnership was formed under the laws of Alberta, Canada pursuant to a Certificate of Limited Partnership, dated as of December 20, 2000, which was filed with the Registrar of Corporations (Alberta) (L.P. No. 9114760).

The original partnership agreement of the Partnership was executed as of December 20, 2000 (the " *Existing Agreement* ").

The Existing Agreement was amended and restated in its entirety by the Amended and Restated Agreement of Limited Partnership, dated as of July 26, 2001, of the Partnership (as amended to date, the " *First Amended and Restated Agreement* ")

The parties hereto now wish to amend and restate the First Amended and Restated Agreement in its entirety as of the date hereof and as hereinafter set forth. Accordingly, the parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions . Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

" *Agreement* " means this Second Amended and Restated Agreement of Limited Partnership, as it may be amended and restated from time to time.

" *Applicable Collateral Percentage* " shall have the meaning with respect to any Firm Collateral and any Special Firm Collateral, in each case, as set forth in the books and records of the Partnership with respect thereto.

" *BCP* " means the collective reference to Blackstone Capital Partners L.P., a Delaware limited partnership, and any other investment vehicle established in accordance with the terms of Blackstone Capital Partners L.P.'s partnership agreement to invest in lieu of Blackstone Capital Partners L.P. on behalf of one or more of the partners thereof.

" *BCP II* " means the collective reference to Blackstone Capital Partners II Merchant Banking Fund L.P., a Delaware limited partnership formerly known as Blackstone Domestic Capital Partners II L.P., Blackstone Offshore Capital Partners II L.P., a Cayman Islands exempted limited partnership, and any other investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreements of either of such partnerships.

" *BCP III* " means the collective reference to Blackstone Capital Partners III Merchant Banking Fund L.P., a Delaware limited partnership, Blackstone Offshore Capital Partners III L.P., a Cayman Islands exempted limited partnership, and any other investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreements of either of such partnerships.

" *BFREP International* " means Blackstone Family Real Estate Partnership International - A L.P. and Blackstone Family Real Estate Partnership International - B L.P., each an Alberta, Canada limited partnership.

" *BRE Associates* " means BRE Associates International L.P., an Alberta, Canada limited partnership.

" *BREA (Cayman)* " has the meaning set forth in the Preamble.

" *BREA International* " means Blackstone Real Estate Associates International (Alberta) L.P., an Alberta, Canada limited partnership.

" *BREA International (Delaware)* " means Blackstone Real Estate Associates International L.P., a Delaware limited partnership, domesticated as a limited partnership in the State of Delaware pursuant to Section 17-215 of the Delaware Revised Uniform Limited Partnership Act.

" *BRECA International* " means Blackstone Real Estate Capital Associates International L.P., an Alberta, Canada limited partnership, and any other partnership with terms substantially similar to the terms set forth in the BRECA International Partnership Agreement and formed in connection with the participation by one or more partners of BRECA International in investments in Securities issued by non-U.S. Issuers.

" *BRECA International Partnership Agreement* " means the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Capital Associates International L.P., dated as of the date hereof, as amended from time to time.

" *BREH International* " means Blackstone Real Estate Holdings International - A L.P. and Blackstone Real Estate Holdings International - B L.P., each an Alberta, Canada limited partnership.

" *BREI* " means the collective reference to: (i) Blackstone Real Estate Partners International I.D L.P., Blackstone Real Estate Partners International I.D.2 L.P. and Blackstone Real Estate Partners International I.E L.P., each a limited partnership formed or to be formed under the laws of the United Kingdom pursuant to the Limited Partnerships Act 1907 of the United Kingdom, (ii) any other investment vehicle established pursuant to Article 2 of the respective partnership agreements for any of the partnerships referred to in clause (i) above, and (iii) any investment vehicle formed to co-invest with any of the partnerships referred to in clause (i) above using third party capital and that potentially pays a Carried Interest.

" *BREI Agreement* " means the Amended and Restated Agreements of Limited Partnership, each dated January 19, 2001 or other date set forth therein, of the partnerships referred to in clause (i) of the definition of "BREI" in this Article I, and any other BREI partnership agreement.

" *BREI Investment* " means the Partnership's indirect interest in a specific BREI investment pursuant to the BREI Agreement in its capacity as an indirect partner of BREI, but does not include any direct or indirect investment by the Partnership on a side-by-side basis in any BREI investment.

" *Carried Interest* " shall mean (i) distributions to the general partner of BREI (including BREA International (Delaware)) pursuant to paragraphs 4.2.1(c) and (d), paragraphs 4.2.2(c) and (d) and paragraph 4.2.7 of the BREI Agreement (or similar provisions of investment vehicles formed after the date hereof) and (ii) any other carried interest payable pursuant to the BREI Agreement. In each case of (i) and (ii) above, except as determined by the Managing Member, the amount shall not be less any costs, fees and expenses of the Partnership with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership that are anticipated with respect thereto (in each case which the General Partner may allocate amongst all or any portion of the Investments as it determines in good faith is appropriate).

" *Carried Interest Give Back Percentage* " shall mean, for any Partner or Withdrawn Partner, subject to Section 5.8(e), the percentage determined by dividing (A) the aggregate amount of distributions received by such Partner or Withdrawn Partner from the Partnership, any Other Fund GPs or their Affiliates, excluding Holdings, in respect of Carried Interest by (B) the aggregate amount of distributions made to all Partners, Withdrawn Partners or any other person by the, any Other Fund GP or their Affiliates (in any capacity), excluding Holdings, in respect of Carried Interest. For purposes of determining "Carried Interest Give Back Percentage" hereunder, all Trust Amounts contributed to the Trust by the Partnership, Other Fund GPs or their Affiliates on behalf of a Partner or Withdrawn Partner (but not the Trust Income thereon) shall be deemed to have been initially distributed or paid to the Partners and Withdrawn Partners as Partners or partners of the Partnership, any of the Other Fund GPs or their Affiliates.

" *Carried Interest Sharing Percentage* " means, with respect to each Investment, the percentage interest of a Partner in Carried Interest from such Investment set forth in the books and records of the Partnership.

" *Cause* " means the occurrence or existence of any of the following with respect to any Partner, as determined fairly, reasonably, on an informed basis and in good faith by the General Partner: (i) (w) any breach by any Partner of any provision of any non-competition agreement, (x) any material breach of this Agreement or any rules or regulations applicable to such Partner that are established by the General Partner, (y) such Partner's deliberate failure to perform his or her duties to the Partner, or (z) such Partner's committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership in a material way as determined by the General Partner; *provided*, that in the case of any of the foregoing clauses (w), (x), (y) and (z), the General Partner has given such Partner written notice (a " *Notice of Breach* ") within fifteen days after the General Partner becomes aware of such action and such Partner fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt of such Notice of Breach from the General Partner (or such longer period, not to exceed an additional fifteen days, as shall be reasonably required for such cure, provided that such Partner is diligently pursuing such cure); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Partnership; or (iii) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a regulatory body or by a self-regulatory body having authority with respect to securities laws, rules or regulations of the applicable securities industry, that such Partner individually has violated any applicable securities

laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Partner's ability to function as a Partner of the Partnership, taking into account the services required of such Partner and the nature of the Partnership's business or (B) the business of the Partnership.

" *Charitable Organization* " means an organization described in Section 170(c) of the Code (without regard to Section 170(c)(2)(A) thereof).

" *Class A Interest* " has the meaning set forth in Section 5.8(a).

" *Class B Interest* " has the meaning set forth in Section 5.8(a).

" *Clawback Adjustment Amount* " has the meaning set forth in Section 5.8(e).

" *Clawback Amount* " shall mean the "Clawback Amount" and the "Interim Clawback Amount," both as set forth in Article One of the BREI Agreement, and any other clawback amount payable to the limited partners of BREI pursuant to any BREI Agreement, as applicable.

" *Clawback Provisions* " shall mean paragraphs 4.2.8 and 9.2.6 of the BREI Agreement and any other similar provisions in any other BREI Agreement existing heretofore or hereafter entered into.

" *Code* " means the United States Internal Revenue Code of 1986, as amended from time to time, or any successor statute. Any reference herein to a particular provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

" *Commitment* ", with respect to any Partner, has the meaning set forth in such Partner's Commitment Agreement or SMD Agreement.

" *Commitment Agreement* " shall mean a commitment agreement by which a Partner has committed to fund certain amounts with respect to the BREI Investments and certain expenses of BREI.

" *Contingent* " means subject to repurchase rights and/or other requirements.

" *Controlled Entity* " when used with reference to another person means any person controlled by such other person.

" *Deceased Partner* " shall mean any Partner or Withdrawn Partner who has died or who suffers from Incompetence. For purposes hereof, references to a Deceased Partner shall refer collectively to the Deceased Partner and the estate and heirs or legal representative of such Deceased Partner, as the case may be, that have received such Deceased Partner's interest in the Partnership.

" *Default Rate* " shall mean the lower of (i) the sum of (a) the rate of interest per annum publicly announced from time to time by The Chase Manhattan Bank as its prime rate and (b) 5%, and (ii) the highest rate of interest permitted under applicable law.

" *Defaulting Party* " has the meaning set forth in Section 5.8(d)(ii).

" *Deficiency Contribution* " has the meaning set forth in Section 5.8(d)(ii).

" *Disabling Event* " means (a) the withdrawal of a General Partner, other than in accordance with Section 6.2(b)(ii), (b) the incapacity of a General Partner, (c) if a General Partner (i) makes an assignment for the benefit of its creditors, (ii) files a voluntary petition in bankruptcy, (iii) is adjudged a bankrupt or insolvent or has entered against it an order for relief in any bankruptcy or insolvency proceeding, (iv) files a petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, (v) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in proceeding described in clause (iv), or (v) seeks, consents to, or acquiesces in, the appointment of a trustee, receiver or liquidator of the General Partner or of all or substantially all of its properties, or (d) any other event that causes the General Partner to cease to be a general partner of the Partnership as provided in the Partnership Act.

" *Disposable Investment* " has the meaning set forth in Section 5.8(a).

" *Estate Planning Vehicle* " has the meaning set forth in Section 6.3.

" *Excess Holdback* " has the meaning set forth in Section 4.1(d)(v)(A).

" *Excess Holdback Percentage* " has the meaning set forth in Section 4.1(d)(v)(A).

" *Excess Tax-Related Amount* " has the meaning specified in Section 5.8(e).

" *Excluded Item* " has the meaning set forth in Section 5.1(b).

" *Existing Partner* " shall mean any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

" *Feeder Vehicle* " shall mean any Limited Partner formed to serve as a collective investment vehicle for real estate-related investments in the United Kingdom which invests all or a portion of its investable resources in the Partnership.

" *Firm Collateral* " shall mean a Partner's or Withdrawn Partner's interest in one or more partnerships or limited liability companies, in either case affiliated with the Partnership, and certain other assets of such Partner or Withdrawn Partner, in each case that has been pledged or made available to the Trustee(s) to satisfy all or any portion of the Excess Holdback of such Partner or Withdrawn Partner as more fully described in the books and records of the Partnership; provided , that for all purposes hereof (and any other agreement (e.g. , the Trust Agreement) that incorporates the meaning of the term "Firm Collateral" by reference), references to "Firm Collateral" shall include "Special Firm Collateral", excluding references to "Firm Collateral" in Section 4.1(d)(v) and Section 4.1(d)(viii).

" *Firm Collateral Realization* " has the meaning set forth in Section 4.1(d)(v)(B).

" *Fiscal Year* " shall mean a calendar year, or any other period chosen by the General Partner.

" *Fund GP* " means the Partnership and the Other Fund GPs.

“ *GAAP* ” means U.S. generally accepted accounting principles.

“ *General Partner* ” means BREA (Cayman) and any person admitted to the Partnership as an additional General Partner in accordance with the provisions of this Agreement, until such time as such person ceases to be a general partner of the Partnership as provided herein or in the Partnership Act.”

“ *Holdback* ” has the meaning set forth in Section 4.1(d)(i).

“ *Holdback Percentage* ” has the meaning set forth in Section 4.1(d)(i).

“ *Holdback Vote* ” has the meaning set forth in Section 4.1(d)(iv)(A).

“ *Holdings* ” means Blackstone Holdings IV L.P., a Delaware limited partnership.

“ *Incompetence* ” means, with respect to any Partner, the determination by the General Partner in its sole discretion, after consultation with a qualified medical doctor, that such Partner is incompetent to manage his person or his property.

“ *Inflation Index* ” means (i) the GNP deflator, which is the fixed-weighted price index representing the average change in the United States gross national product as published in the Survey of Current Business by the National Income and Wealth Division of the Bureau of Economic Analysis of the U.S. Department of Commerce, or (ii) such other index measuring changes in economic prices in the United States as shall be selected by the General Partner.

“ *Initial Holdback Percentages* ” has the meaning set forth in Section 4.1(d)(i).

“ *Interest* ” means a limited partnership interest in the Partnership, including those which are held by a Retaining Withdrawn Partner. An Interest held by the Feeder Vehicle shall, and any other Interest may be, segregated into multiple Interests for all purposes hereof.

“ *Investment* ” means any investment (direct or indirect) of the Partnership designated by the General Partner from time to time as an investment in which the Partners’ respective interests shall be established and accounted for on a basis separate from the Partnership’s other businesses, activities and investments, including any BREI Investments.

“ *Investor Limited Partner* ” means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

“ *L/C* ” has the meaning set forth in Section 4.1(d)(vi).

“ *L/C Partner* ” has the meaning set forth in Section 4.1(d)(vi).

“ *Limited Partner* ” means any person who is shown on the books and records of the Partnership as a Limited Partner of the Partnership, including any Special Limited Partner, any Investor Limited Partner and any Nonvoting Limited Partner.

“ *Loss Amount* ” has the meaning specified in Section 5.8(e).

“ *Loss Investment* ” has the meaning specified in Section 5.8(e).

" *Majority in Interest of the Partners* " on any date (a " *vote date* ") means one or more persons who are Partners (including the General Partner and the Special Limited Partners but excluding Nonvoting Limited Partners) on the vote date and who, as of the last day of the most recent accounting period ending on or prior to the vote date (or as of such later date on or prior to the vote date selected by the General Partner as of which the Partners' capital account balances can be determined), have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the persons who are Partners (including the General Partner and the Special Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

" *Moody's* " means Moody's Investor Services, Inc., or any successor thereto.

" *Net Carried Interest Distribution* " has the meaning specified in Section 5.8(e).

" *Net Carried Interest Distribution Recontribution Amount* " has the meaning specified in Section 5.8(e).

" *Net Income (Loss)* " has the meaning set forth in Section 5.1(b).

" *Net Recontribution Amount* " has the meaning set forth in Section 5.8(d)(i)(A).

" *Non-Carried Interest* " means, with respect to each Investment, all amounts of distributions, other than Carried Interest, received by the Partnership with respect to such Investment, less any costs, fees and expenses of the Partnership with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership that are anticipated with respect thereto, in each case which the General Partner may allocate to all or any portion of the Investments as it may determine in good faith is appropriate.

" *Non-Carried Interest Sharing Percentage* " means, with respect to each Investment, the percentage interest of a Partner in Non-Carried Interest from such Investment set forth in the books and records of the Partnership.

"*Non-Contingent*" means generally not subject to repurchase rights and/or other requirements.

" *Nonvoting Limited Partner* " has the meaning set forth in Section 6.1(a).

" *Other Fund GPs* " means BRE Associates, BREA International, BRECA International, BREA International (Delaware), and any other entity through which any Partner, Withdrawn Partner or any other person directly receives any amounts of Carried Interest, and any successor thereto; provided , that this includes any other entity which has in its organizational documents a provision which indicates that it is a "Fund GP" or an "Other Fund GP"; provided further , that notwithstanding any of the foregoing, none of Holdings, any estate planning vehicle established for the benefit of family members of any Partner or any partner of any Other Fund GP shall be considered an "Other Fund GP" for purposes hereof; provided further , that the foregoing exclusion of such estate planning vehicles shall in no way limit such Partners' obligations pursuant to Section 5.8(d).

" *Partner* " means any person who is a partner of the Partnership, whether a General Partner or a Limited Partner in whatsoever Partner Category.

" *Partner Category* " shall mean the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

" *Partnership* " has the meaning set forth in the Preamble.

" *Partnership Act* " means the Partnership Act (Revised Statutes of Alberta 1980, Chap. P-2, *et seq.)* , as it may be amended from time to time, and any successor to such statute.

" *Profit Sharing Percentage* " means the "Carried Interest Sharing Percentage" and "Non-Carried Interest Sharing Percentage" of each Partner; provided that any references in this Agreement to Profit Sharing Percentages made (a) in connection with voting or voting rights or (b) capital contributions with respect to Investments (including Section 5.3(d)) shall mean the "Non-Carried Interest Sharing Percentage" of each Partner; provided further , that any reference in this Agreement to Profit Sharing Percentage that specifically refers to Net Income unrelated to BREI shall continue to refer to the amount of each Partner's percentage interest in a category of Net Income (Loss) established by the General Partner from time to time pursuant to Section 5.3.

" *Qualifying Fund* " means any fund designated by the General Partner as a "Qualifying Fund".

" *Recontribution Amount* " has the meaning set forth in Section 5.8(d)(i).

"Repurchase Period" has the meaning set forth in Section 5.8(c).

" *Required Amounts* " means amounts equal to the Partnership's portion of the required capital contribution in respect of any BREI Investment to be made by the general partner of BREI (including, without limitation, BREA International (Delaware)), as determined by the General Partner from time to time, which amounts shall be used by the Partnership to fund capital contributions to BREA International and indirectly, through BREA International, to the general partner of BREI (including, without limitation, BREA International (Delaware)).

" *Required Rating* " has the meaning set forth in Section 4.1(d)(vi).

" *Retaining Withdrawn Partner* " shall mean a Withdrawn Partner who has retained a partnership interest in the Partnership, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Partner for all purposes hereof.

" *Securities* " means any debt or equity securities of an Issuer and its subsidiaries and other Controlled Entities constituting part of an Investment, including without limitation common and preferred stock, interests in limited partnerships and interests in limited liability companies (including warrants, rights, put and call options and other options relating thereto or any combination thereof), notes, bonds, debentures, trust receipts and other obligations, instruments or evidences of indebtedness, choses in action, other property or interests commonly regarded as securities, interests in real property, whether improved or unimproved, interests in oil and gas properties and mineral properties, short-term investments commonly regarded as money-market investments, bank deposits and interests in personal property of all kinds, whether tangible or intangible.

" *Settlement Date* " has the meaning set forth in Section 6.5(a).

" *SMD Agreements* " means the agreements between the Partnership and/or one or more of its affiliates and the Partners, pursuant to which each Partner undertakes certain obligations with respect to the Partnership and/or its affiliates. The SMD Agreements are hereby incorporated by reference as between the Partnership and the relevant Partner.

" *Special Firm Collateral* " means interests in a Qualifying Fund that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner's or Withdrawn Partner's Holdback (excluding any Excess Holdback) as more fully described in the books and records of the Partnership.

" *Special Firm Collateral Realization* " has the meaning set forth in Section 4.1(d)(viii)(B).

" *Special Limited Partner* " means any of the persons shown on the books and records of the Partnership as a Special Limited Partner and any person admitted to the Partnership as an additional Special Limited Partner in accordance with the provisions of this Agreement.

" *S&P* " means Standard & Poor's Corporation, and any successor thereto.

" *Subject Investment* " has the meaning set forth in Section 5.8(e).

" *Subject Partner* " has the meaning set forth in Section 4.1(d)(iv)(A).

" *Total Disability* " means the inability of a Limited Partner substantially to perform the obligations required of such Limited Partner (in its capacity as such or in any other capacity with respect to any affiliate of the Partnership) for a period of six consecutive months by reason of physical or mental illness or incapacity and whether arising out of sickness, accident or otherwise.

" *Trust Account* " has the meaning set forth in the Trust Agreement.

" *Trust Agreement* " means the Trust Agreement, dated as of July 26, 2001, as amended to date, among the Partners, the Trustee(s) and certain other persons that may receive distributions in respect of or relating to Carried Interest from time to time.

" *Trust Amount* " has the meaning set forth in the Trust Agreement.

" *Trust Income* " has the meaning set forth in the Trust Agreement.

" *Trustee(s)* " has the meaning set forth in the Trust Agreement.

" *Unadjusted Carried Interest Distributions* " has the meaning specified in Section 5.8(e).

" *Unallocated Percentage* " has the meaning set forth in Section 5.3(b).

" *Unrealized Net Income (Loss)* " attributable to any BREI Investment as of any date means the Net Income (Loss) that would be realized by the Partnership with respect to such BREI Investment if BREI's entire portfolio of investments were sold on such date for cash in an amount equal to their aggregate value on such date (determined in accordance with Section 5.1(e)) and all distributions payable by BREI to the Partnership (indirectly) pursuant to the BREI Agreement with respect to such BREI Investment were made on such date. "Unrealized Net Income (Loss)" attributable to any other Investment as of any date means the Net Income (Loss) that would be

realized by the Partnership with respect to such Investment if such Investment were sold on such date for cash in an amount equal to its value on such date (determined in accordance with Section 5.1(e)).

" *Withdraw* " or " *Withdrawal* " with respect to a Partner means a Partner ceasing to be a partner of the Partnership (except as a Retaining Withdrawn Partner) for any reason (including death, disability, removal, resignation or retirement, whether such is voluntary or involuntary), unless the context shall limit the type of withdrawal to a specific reason and subject to any written agreements between a Partner and the Partnership or any Affiliate thereof, and "Withdrawn" with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

" *Withdrawal Date* " has the meaning set forth in Section 6.5(a).

" *Withdrawn Partner* " has the meaning set forth in Section 6.5(a).

Section 1.2. Terms Generally . The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The term " *person* " includes individuals, partnerships (including limited liability partnerships), companies (including limited liability companies), joint ventures, corporations, trusts, governments (or agencies or political subdivisions thereof) and other associations and entities. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

GENERAL PROVISIONS

Section 2.1. General Partner and Limited Partners . The Partners may be General Partners or Limited Partners. The General Partner is BREA (Cayman). The Limited Partners shall be as shown on the books and records of the Partnership.

Section 2.2. Formation; Name . The Partnership was formed upon the filing and recording of a Certificate with the Registrar of Corporations on December 20, 2000 (L.P. No. 9114760) and is hereby continued as a limited partnership pursuant to the Partnership Act and shall conduct its activities under the name of Blackstone Real Estate Management Associates International L.P.

Section 2.3. Term . The term of the Partnership shall continue until December 31, 2050, unless earlier dissolved and terminated in accordance with this Agreement.

Section 2.4. Purpose; Powers . (a) The purpose of the Partnership shall be, directly or indirectly through subsidiaries or affiliates, (i) to serve as a limited partner of BREA International or of any Other Fund GP and perform the obligations of a limited partner specified in such entities' respective partnership or similar agreements, (ii) to serve as general partner or limited partner of other partnerships and hold interests in companies, corporations and other entities, (iii) to carry on such other businesses for profit, perform such other services and make such other investments for profit as are deemed desirable by the General Partner, subject to the Partner vote requirements set forth in Section 3.3, (iv) any other lawful purpose, and (v) to do all things necessary and incidental thereto.

(b) In furtherance of its purpose, the Partnership shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, as principal or agent, including the following:

(i) to buy, sell and otherwise acquire investments, whether such investments are readily marketable or not;

(ii) to invest and reinvest the cash assets of the Partnership in money-market or other short-term investments;

(iii) to hold, receive, mortgage, pledge, lease, transfer, exchange or otherwise dispose of, grant options with respect to, and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to, all property held or owned by the Partnership;

(iv) to borrow or raise money from time to time and to issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and non-negotiable instruments and evidences of indebtedness, to secure payment of the principal of any such indebtedness and the interest thereon by mortgage, pledge, conveyance or assignment in trust of, or the granting of a security interest in, the whole or any part of the property of the Partnership, whether at the time owned or thereafter acquired, to guarantee the obligations of others and to buy, sell, pledge or otherwise dispose of any such instrument or evidence of indebtedness;

(v) to lend any of its property or funds, either with or without security, at any legal rate of interest or without interest;

(vi) to have and maintain one or more offices within or without the Province of Alberta, Canada, and in connection therewith, to rent or acquire office space, engage personnel and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(vii) to open, maintain and close accounts, including margin accounts, with brokers;

(viii) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys;

(ix) to engage accountants, auditors, custodians, investment advisers, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate them as may be necessary or advisable;

(x) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, to form or cause to be formed and to participate in partnerships and joint ventures, whether foreign or domestic, and to form or cause to be formed and be a member or manager or both of one or more limited liability companies;

(xi) to enter into, make and perform all contracts, agreements and other undertakings as may be necessary, convenient or advisable or incident to carrying out its purposes;

(xii) to sue and be sued, to prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment to claims against the Partnership, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xiii) to distribute, subject to the terms of this Agreement, at any time and from time to time to Partners cash or investments or other property of the Partnership, or any combination thereof; and

(xiv) to take such other actions necessary or incidental thereto and to engage in such other businesses as may be permitted under applicable law.

Section 2.5. Place of Business . The Partnership shall maintain an office and principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., or such other place or places as may from time to time be designated by the General Partner.

Section 2.6. Feeder Vehicle . (a) The Interest of the Feeder Vehicle shall be treated as Interests held by more than one Limited Partner for purposes of determining the appropriate treatment of the Feeder Vehicle in connection herewith, in light of the multiple interestholders in the Feeder Vehicle. This shall include (i) reflecting on the books and records of the Partnership a separate Interest held by the Feeder Vehicle with respect to each interestholder therein and (ii) applying the provisions of Article IV as though the interestholder were a direct Limited Partner in the Partnership.

(b) If any interestholder of the Feeder Vehicle fails to make a Capital Contribution to the Feeder Vehicle, the Feeder Vehicle may be treated as a Defaulting Limited Partner in accordance with the provisions hereof, but solely with respect to such interestholder's indirect interest in the Partnership.

(c) In the case of any vote of Limited Partners under this Agreement or any law, the Feeder Vehicle shall vote its Interest in proportion to the votes on such matter of the interestholders thereof, based on their pro rata interest therein, that are unaffiliated with the General Partner.

(d) The General Partner may make any adjustments to the Interest of the Feeder Vehicle to accomplish the overall objectives of this Section 2.6; provided , that such adjustments shall in no way have a materially adverse effect on the Interests of any other Partner.

ARTICLE III

MANAGEMENT

Section 3.1. General Partner . BREA (Cayman) shall be the " *General Partner* ." A General Partner may not be removed without its consent. The management of the business and affairs of the Partnership shall be vested in the General Partner as provided in Section 3.4.

Section 3.2. Limited Partners . The Limited Partners shall be the parties set forth on the books and records of the Partnership as Limited Partners as of the date hereof.

Section 3.3. Partner Voting , etc.

(a) Meetings of the Partners may be held only when called by the General Partner.

(b) Except as may be expressly required or permitted by the Partnership Act, Limited Partners as such shall have no right to, and shall not, take part in the control of the Partnership's business or act for or bind the Partnership, and shall have only the rights and powers of a limited partner as provided in both the Partnership Act and this Agreement.

(c) To the extent a Partner is entitled to vote with respect to any matter relating to the Partnership, such Partner shall not be obligated to abstain from voting on any matter (or vote in any particular manner) because of any interest (or conflict of interest) of such Partner (or any affiliate thereof) in such matter.

Section 3.4. Management . (a) The full management, control and operation of the Partnership and the formulation and execution of business and investment policy shall be vested in the General Partner, and the General Partner shall have full control over the business and affairs of the Partnership. The General Partner shall, in the General Partner's discretion, exercise all powers necessary and convenient for the purposes of the Partnership, including, without limitation, those enumerated in Section 2.4, on behalf and in the name of the Partnership. If there shall be more than one General Partner, any action by the General Partners shall require the unanimous approval of the General Partners. All decisions and determinations (howsoever described herein) to be made by the General Partner pursuant to this Agreement shall be made in the General Partner's discretion, subject only to the express terms and conditions of this Agreement.

(b) All outside business or investment activities of the Partners (including outside directorships or trusteeships) shall be subject to such rules and regulations as are established by the General Partner from time to time.

Section 3.5. Responsibilities of Partners . The General Partner may from time to time establish such rules and regulations applicable to Partners the General Partner deem appropriate.

Section 3.6. [Intentionally omitted] .

Section 3.7. Exculpation and Indemnification . (a) Liability to Partners . Notwithstanding any other provision of this Agreement, whether express or implied, to the fullest extent permitted by law, no Partner nor any of such Partner's representatives, agents or advisors nor any partner, member, officer, employee, representative, agent or advisor of the Partnership or any of its Affiliates (individually, a "Covered Person" and collectively, the "Covered Persons") shall be liable to the Partnership or any other Partner for any act or omission (in relation to the Partnership, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) taken or omitted by a Covered Person (other than any act or omission constituting Cause), unless there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Partnership and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful. Each Covered Person shall be entitled to rely in good faith on the advice of legal counsel to the Partnership, accountants and other experts or professional advisors, and no action taken by any Covered Person in reliance on such advice shall in any event subject such person to any liability to any Partner or the Partnership. To the extent that, at law or in equity, a Partner has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or to another Partner, to the fullest extent permitted by law, such Partner acting under this Agreement shall not be liable to the Partnership or to any such other Partner for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of a Partner otherwise existing at law or in equity, are agreed by the Partners, to the fullest extent permitted by law, to modify to that extent such other duties and liabilities of such Partner.

(b) Indemnification . To the fullest extent permitted by law, the Partnership shall indemnify and hold harmless (but only to the extent of the Partnership's assets (including, without limitation, the remaining Commitments of the Partners) each Covered Person from and against any and all

claims, damages, losses, costs, expenses and liabilities (including, without limitation, amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim), joint and several, of any nature whatsoever, known or unknown, liquidated or unliquidated (collectively, "Losses"), arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of such Covered Person's participation in the affairs of the Partnership or which relate to or arise out of or in connection with the Partnership, its property, its business or affairs (other than claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, arising out of any act or omission of such Covered Person constituting Cause); provided , that a Covered Person shall not be entitled to indemnification under this Section with respect to any claim, issue or matter if there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interest of the Partnership and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful; provided further , that if such Covered Person is a Partner or a Withdrawn Partner, such Covered Person shall bear its share of such Losses in accordance with such Covered Person's Profit Sharing Percentage in the Partnership as of the time of the actions or omissions that gave rise to such Losses. To the fullest extent permitted by law, expenses (including legal fees) incurred by a Covered Person (including, without limitation, the General Partner) in defending any claim, demand, action, suit or proceeding may, with the approval of the General Partner, from time to time, be advanced by the Partnership prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Partnership of a written undertaking by or on behalf of the Covered Person to repay such amount to the extent that it shall be subsequently determined that the Covered Person is not entitled to be indemnified as authorized in this Section, and the Partnership and its Affiliates shall have a continuing right of offset against such Covered Person's interests/investments in the Partnership and such Affiliates and shall have the right to withhold amounts otherwise distributable to such Covered Person to satisfy such repayment obligation. If a Partner institutes litigation against a Covered Person which gives rise to an indemnity obligation hereunder, such Partner shall be responsible, up to the amount of such Partner's Interests and remaining Commitment, for such Partner's pro rata share of the Partnership's expenses related to such indemnity obligation, as determined by the General Partner. The Partnership may purchase insurance, to the extent available at reasonable cost, to cover losses, claims, damages or liabilities covered by the foregoing indemnification provisions. Partners will not be personally obligated with respect to indemnification pursuant to this Section.

Section 3.8. Tax Representation . Each Limited Partner certifies that (A) (x) (i) the Limited Partner's name, social security number and address provided to the Partnership and its Affiliates pursuant to an IRS Form W-9, Payer's Request for Taxpayer Identification Number Certification (" *W-9* ") or otherwise are correct and (ii) the Limited Partner will complete and return a W-9, and (y) (i) the Limited Partner is not a non-resident alien individual (as defined in the Code) and (ii) the Limited Partner will notify the Partnership within 60 days of a change to foreign (non-United States) status or (B) (x) (i) the information on the completed IRS Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding, ("W-8BEN") or otherwise is correct and (ii) the Limited Partner will complete and return a W-8BEN and (y) (i) the Limited Partner is a non-resident alien individual (as defined in the Code) and (ii) the Limited Partner will notify the Partnership within 60 days of change of foreign (non-United States) status. The Limited Partner agrees to properly execute and provide to the Partnership in a timely manner any tax documentation that may be reasonably required by the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Partners . (a) Except as agreed by the Managing Member and a Regular Member, such Limited Partner shall not be required to make capital contributions to the Partnership at such times and in such amounts as are required to fund the Required Amounts, as determined by the General Partner from time to time; provided, that (i) such additional capital contributions may be made pro rata among the Limited Partners based upon the allocation of the Carried Interest in each BREI Investment by the General Partner and (ii) additional capital contributions in excess of Required Amounts which are to be used for ongoing business operations (as distinct from financing legal or other specific liabilities of the Partnership) (including those specifically set forth in Sections 4.1(d) and 5.8(d)); provided further, that the General Partner may excuse any Nonvoting Limited Partner from making capital contributions to fund Required Amounts as provided in the books and records of the Partnership. Limited Partners (other than Special Limited Partners) shall not be required to make additional capital contributions to the Partnership except (i) as a condition of an increase in such Limited Partner's Profit Sharing Percentage, or (ii) as specifically set forth in this Agreement; provided, however, that the General Partner and any Limited Partner (other than a Special Limited Partner) may agree from time to time that such Limited Partner shall make an additional capital contribution to the Partnership; provided further that each Investor Limited Partner shall maintain its capital account at a level equal to the product of (i) its Profit Sharing Percentage from time to time and (ii) the total capital of the Partnership; provided further, that the foregoing in no way limits any other provision of this Agreement (including without limitation, Sections 5.8(d) and (e) and 6.5) or of any written agreement between a Partner and the Partnership or an Affiliate thereof which requires the making of any such additional capital contribution. If required by applicable law, the maximum amount of capital a Limited Partner is obligated to contribute to the Partnership shall be disclosed in a Certificate filed in accordance with the Partnership Act; and provided further, that the General Partner shall be required to make a maximum capital contribution of (U.S.) $1,000. Notwithstanding the foregoing, the unfunded amount of any Limited Partner's commitment to make capital contributions to the Partnership (such Limited Partner's "Unfunded Commitment") may be determined and redetermined by the General Partner from time to time (including, without limitation, any redetermination that results in a reduction in such Limited Partner's Unfunded Commitment, which reduction may be retroactive); provided that each Limited Partner agrees to make capital contributions in the full amount of such Limited Partner's Unfunded Commitment at any time, on condition that the General Partner does not thereafter make a redetermination that results in a reduction in such Limited Partner's Unfunded Commitment and subject to all other terms and conditions set forth herein and/or in any other agreement relating thereto; and provided further, that, following an initial determination of a Limited Partner's commitment such Limited Partner's Unfunded Commitment shall not be increased without the consent of such Limited Partner. Any provision of this Agreement to the contrary notwithstanding, no capital contribution shall become due and payable or be required to be made by any Partner, unless and until it shall be called by the General Partner for the purposes set forth herein or in the Commitment Agreements or SMD Agreements of such Partner.

(b) Each capital contribution by a Partner shall be credited to the appropriate capital account of such Partner in accordance with Section 5.2.

(c) The General Partner may elect on a case by case basis to (i) cause the Partnership to loan any Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partner that is an executive officer of The Blackstone Group L.P.) the amount of any capital contribution required to be made by such Partner or (ii) permit any Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1) to make a required capital contribution to the Partnership in installments in kind, in each case on terms (including valuation of contributed property in the case of in kind contributions permitted by the General Partner) determined by the General Partner.

(d) (i) The Partners have entered into the Trust Agreement, pursuant to which certain amounts of the distributions relating to the Carried Interest will be paid to the Trustee(s) for deposit in the Trust Account (such amounts to be paid to the Trustee(s) for deposit in the Trust Account constituting a " *Holdback* "). The General Partner shall determine, as set forth below, the percentage of each distribution of Carried Interest that shall be withheld for each Partner Category (such withheld percentage constituting such Partner Category's " *Holdback Percentage* "). The applicable Holdback Percentages initially shall be 15% for Existing Partners (other than the General Partner), 0% for Holdings, 21% for Retaining Withdrawn Partners and 24% for Deceased Partners (the " *Initial Holdback Percentages* ").

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his Partner Category (except as provided in clause (iv) below). The General Partner may only reduce the Holdback Percentages among the Partner Categories on a proportionate basis; provided, that the Holdback Percentage applicable to Holdings may not be increased or decreased without its consent. For example, if the Holdback Percentage for Existing Partners is decreased to 12.5%, the Holdback Percentage for Retaining Withdrawn Partners and Deceased Partners shall be reduced to 17.5% and 20%, respectively. Any reduction in the Holdback Percentage for any Partner shall apply only to distributions relating to Carried Interest made after the date of such reduction.

(iii) The Holdback Percentage may not be increased for any individual Partner as compared to the other Partners in his Partner Category (except as provided in clause (iv) below). The General Partner may not increase the Retaining Withdrawn Partners' Holdback Percentage beyond 21% unless the General Partner increases the Existing Partners' Holdback Percentage to 21%. The General Partner may not increase the Deceased Partners' Holdback Percentage beyond 24% unless it increases the Holdback Percentage for both Existing Partners and Retaining Withdrawn Partners to 24%. The General Partner may not increase the Holdback Percentage of any Partner Category beyond 24% unless such increase applies equally to all Partner Categories. Any increase in the Holdback Percentage for any Partner shall apply only to distributions relating to Carried Interest made after the date of such increase. The foregoing shall in no way prevent the General Partner from proportionately increasing the Holdback Percentage of any Partner Category (following a reduction of the Holdback Percentages below the Initial Holdback Percentages), if the resulting Holdback Percentages are consistent with the above. For example, if the General Partner reduces the Holdback Percentages for Existing Partners, Retaining Withdrawn Partners and Deceased Partners to 12.5%, 17.5% and 20%, respectively, the General Partner shall have the right to subsequently increase the Holdback Percentages to the Initial Holdback Percentages.

(iv) (A) Notwithstanding anything contained herein to the contrary, the Partnership may increase or decrease the Holdback Percentage for any Partner in any Partner Category (in such capacity, the " *Subject Partner* ") pursuant to a majority vote of the Special Limited Partners and of the special limited partners of BRE Associates (a " *Holdback Vote* "); provided , that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to the General Partner shall not be increased or decreased without its prior written consent; provided further , that a Subject Partner's Holdback Percentage shall not be (I) increased prior to such time as such Subject Partner (x) is notified by the Partnership of the decision to increase such Subject Partner's Holdback Percentage and (y) has, if requested by such Subject Partner, been given 30 days to gather and provide information to the Partnership for

consideration before a second Holdback Vote (requested by the Subject Partner) and (II) decreased unless such decrease occurs subsequent to an increase in a Subject Partner's Holdback Percentage pursuant to a Holdback Vote under this clause (iv); provided further , that such decrease shall not exceed an amount such that such Subject Partner's Holdback Percentage is less than the prevailing Holdback Percentage for such Subject Partner's Partner Category; provided further , that a Partner or a special limited partner of BRE Associates shall not vote to increase a Subject Partner's Holdback Percentage unless such voting partner determines, in his good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of his successors or assigns (including his estate or heirs) who at the time of such vote holds the Partnership interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Partnership meeting, which shall also include the special limited partners of BRE Associates. Each Special Limited Partner or special limited partner of BRE Associates shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Special Limited Partner's interest in the Partnership or special limited partner of BRE Associates's interest in BRE Associates, as the case may be. Such vote may be cast by any such Special Limited Partner or special limited partner in person or by proxy.

(C) If the result of the second Holdback Vote is an increase in a Subject Partner's Holdback Percentage, such Subject Partner may submit the decision to an arbitrator, the identity of which is mutually agreed upon by both the Subject Partner and the Partnership; provided , that if the Partnership and the Subject Partner cannot agree upon a mutually satisfactory arbitrator within 10 days of the second Holdback Vote, each of the Partnership and the Subject Partner shall request its candidate for arbitrator to select a third arbitrator satisfactory to such candidates; provided further , that if such candidates fail to agree upon a mutually satisfactory arbitrator within 30 days of such request, the then sitting President of the American Arbitration Association shall unilaterally select the arbitrator. Each Subject Partner that submits the decision of the Partnership pursuant to the second Holdback Vote to arbitration and the Partnership shall estimate their reasonably projected out-of-pocket expenses relating thereto and each such party shall, to the satisfaction of the arbitrator and prior to any determination being made by the arbitrator, pay the total of such estimated expenses (i.e., both the Subject Partner's and the Partnership's expenses) into an escrow account to be controlled by Simpson Thacher & Bartlett LLP, as escrow agent (or such other comparable law firm as the Partnership and Subject Partner shall agree). The arbitrator shall direct the escrow agent to pay out of such escrow account all expenses associated with such arbitration (including costs leading thereto) and to return to the "victorious" party the entire amount of funds such party paid into such escrow account. If the amount contributed to the escrow account by the losing party is insufficient to cover the expenses of such arbitration, such "losing" party shall then provide any additional funds necessary to cover such costs to such "victorious" party. For purposes hereof, the "victorious" party shall be the Partnership, if the Holdback Percentage ultimately determined by the arbitrator is closer to the percentage determined in the second Holdback Vote than it is to the prevailing Holdback Percentage for the Subject Partner's Partner Category; otherwise, the Subject Partner shall be the "victorious" party. The party that is not the "victorious" party shall be the "losing" party.

(D) In the event of a decrease in a Subject Partner's Holdback Percentage (1) pursuant to a Holdback Vote under this clause (iv) or (2) pursuant to a decision of an arbitrator under paragraph (C) of this clause (iv), the Partnership shall release and distribute to such Subject Partner any Trust Amounts (and the Trust Income thereon (except as expressly

provided herein with respect to using Trust Income as Firm Collateral)) which exceed the required Holdback of such Subject Partner (in accordance with such Subject Partner's reduced Holdback Percentage) as though such reduced Holdback Percentage had applied since the increase of the Subject Partner's Holdback Percentage pursuant to a previous Holdback Vote under this clause (iv).

(v) (A) If a Partner's Holdback Percentage exceeds 15% (such percentage in excess of 15% constituting the " *Excess Holdback Percentage* "), such Partner may satisfy the portion of his Holdback obligation in respect of his Excess Holdback Percentage (such portion constituting such Partner's " *Excess Holdback* "), and such Partner (or a Withdrawn Partner with respect to amounts contributed to the Trust Account while he was a Partner), to the extent his Excess Holdback obligation has previously been satisfied in cash, may obtain the release of the Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Partner or Withdrawn Partner) satisfying such Partner's or Withdrawn Partner's Excess Holdback obligation, by pledging or otherwise making available to the Partnership, on a first priority basis (except as provided below), all or any portion of his Firm Collateral in satisfaction of his Excess Holdback obligation. Any Partner seeking to satisfy all or any portion of the Excess Holdback utilizing Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the General Partner) to perfect a first priority security interest in, and otherwise assure the ability of the Partnership to realize on (if required), such Firm Collateral; provided , that in the case of entities listed on the books and records of the Partnership, in which Partners/members are permitted to pledge their interests therein to finance all or a portion of their capital contributions thereof (" *Pledgable Blackstone Interests* "), to the extent a first priority security interest is unavailable because of an existing lien on such Firm Collateral, the Partner or Withdrawn Partner seeking to utilize such Firm Collateral shall grant the Partnership a second priority security interest therein in the manner provided above; provided further , that (x) to the extent that neither a first priority nor a second priority security interest in Pledgable Blackstone Interests is available, or (y) if the General Partner otherwise determines in its good faith judgment that a security interest in Firm Collateral (and the corresponding documents and actions) are not necessary or appropriate, the Partner or Withdrawn Partner shall (in the case of either clause (x) or (y) above) irrevocably instruct in writing the relevant partnership, limited liability company or other entity listed on Exhibit A to remit any and all net proceeds resulting from a Firm Collateral Realization on such Firm Collateral to the Trustee(s) as more fully provided in clause (B) below. The Partnership shall, at the request of any Partner or Withdrawn Partner, assist such Partner or Withdrawn Partner in taking such action necessary to enable such Partner or Withdrawn Partner to use Firm Collateral as provided hereunder.

(B) If upon a sale or other realization of all or any portion of any Firm Collateral (a " *Firm Collateral Realization* "), the remaining Firm Collateral is insufficient to cover any Partner's or Withdrawn Partner's Excess Holdback requirement, then up to 100% of the net proceeds otherwise distributable to such Partner or Withdrawn Partner from such Firm Collateral Realization (including distributions subject to the repayment of financing sources as in the case of items (5) and (6) in the books and records of the Partnership) shall be paid into the Trust Account to fully satisfy such Excess Holdback requirement (allocated to such Partner or Withdrawn Partner) and shall be deemed to be Trust Amounts for purposes hereunder. Any net proceeds from such Firm Collateral Realization in excess of the amount necessary to satisfy such Excess Holdback requirement shall be distributed to such Partner or Withdrawn Partner.

(C) Upon any valuation or revaluation of Firm Collateral that results in a decreased valuation of such Firm Collateral so that such Firm Collateral is insufficient to

cover any Partner's or Withdrawn Partner's Excess Holdback requirement (including upon a Firm Collateral Realization, if net proceeds therefrom and the remaining Firm Collateral are insufficient to cover any Partner's or Withdrawn Partner's Excess Holdback requirement), the Partnership shall provide notice of the foregoing to such Partner or Withdrawn Partner and such Partner or Withdrawn Partner shall, within 30 days of receiving such notice, contribute cash (or additional Firm Collateral) to the Trust Account in an amount necessary to satisfy his Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to a default under this clause (C); provided further , that for purposes of applying Section 5.8(d)(ii) to a default under this clause (C): (1) the term "Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (2) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(vi) Any Partner or Withdrawn Partner may (i) obtain the release of any Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Partner or Withdrawn Partner) or Firm Collateral, in each case, held in the Trust Account for the benefit of such Partner or Withdrawn Partner or (ii) require the Partnership to distribute all or any portion of amounts otherwise required to be placed in the Trust Account (whether cash or Firm Collateral), by obtaining a letter of credit for the benefit of the Trustee(s) (an " *L/C* ") in such amounts. Any Partner or Withdrawn Partner choosing to furnish an L/C to the Trustee(s) (in such capacity, an " *L/C Partner* ") shall deliver to the Trustee(s) an unconditional and irrevocable L/C from a commercial bank whose (A) short-term deposits are rated at least A-1 by S&P and P-1 by Moody's (if the L/C is for a term of 1 year or less), or (B) long-term deposits are rated at least A+ by S&P or A1 by Moody's (if the L/C is for a term of 1 year or more) (each a " *Required Rating* "). If the relevant rating of the commercial bank issuing such L/C drops below the relevant Required Rating, the L/C Partner shall supply to the Trustee(s), within 30 days of such occurrence, a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, in lieu of the insufficient L/C. In addition, if the L/C has a term expiring on a date earlier than the latest possible termination date of BREI, the Trustee(s) shall be permitted to drawdown on such L/C if the L/C Partner fails to provide a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, at least 30 days prior to the stated expiration date of such existing L/C. The Trustee(s) shall notify an L/C Partner 10 days prior to drawing on any L/C. The Trustee(s) may (as directed by the Partnership in the case of clause (1) below) draw down on an L/C only if (1) such a drawdown is necessary to satisfy an L/C Partner's obligation relating to the Partnership's obligations under the Clawback Provisions or (2) an L/C Partner has not provided a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating (or the requisite amount of cash and/or Firm Collateral (to the extent permitted hereunder)), at least 30 days prior to the stated expiration of an existing L/C in accordance with this clause (vi). The Trustee(s), as directed by the Partnership, shall return to any L/C Partner his L/C upon (1) termination of the Trust Account and satisfaction of the Partnership's obligations, if any, in respect of the Clawback Provisions, (2) an L/C Partner satisfying his entire Holdback obligation in cash and Firm Collateral (to the extent permitted hereunder), or (3) the release, by the Trustee(s), as directed by the Partnership, of all amounts in the Trust Account to Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the Partnership, release a portion of the amounts in the Trust Account to the Partners or Withdrawn Partners in the Partner Category of such L/C Partner, an L/C Partner's L/C may be reduced by an amount corresponding to such portion satisfied in cash and/or Firm Collateral (to the extent permitted hereunder) or such portion

released by the Trustee(s), as directed by the Partnership; provided, that in no way shall the general release of any Trust Income cause an L/C Partner to be permitted to reduce the amount of an L/C by any amount.

(vii) Any in-kind distributions by the Partnership relating to Carried Interest shall be made in accordance herewith as though such distributions consisted of cash. The Partnership may direct the Trustee(s) to dispose of any in-kind distributions held in the Trust Account at any time. The net proceeds therefrom shall be treated as though initially contributed to the Trust Account.

(viii) (A) Any Partner or Withdrawn Partner may satisfy all or any portion of his Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his Holdback (excluding any Excess Holdback) has been previously satisfied in cash or by the use of an L/C as provided herein, obtain a release of Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Partner or Withdrawn Partner) that satisfy such Partner's or Withdrawn Partner's Holdback (excluding any Excess Holdback) by pledging to the Trustee(s) on a first priority basis all of his Special Firm Collateral in a particular Qualifying Fund, which at all times must equal or exceed the amount of the Holdback distributed to the Partner or Withdrawn Partner (as more fully set forth below). Any Partner seeking to satisfy such Partner's Holdback utilizing Special Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the General Partner) to perfect a first priority security interest in, and otherwise assure the ability of the Trustee(s) to realize on (if required), such Special Firm Collateral.

(B) If upon a distribution, withdrawal, sale, liquidation or other realization of all or any portion of any Special Firm Collateral (a " *Special Firm Collateral Realization* "), the remaining Special Firm Collateral (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) is insufficient to cover any Partner's or Withdrawn Partner's Holdback (when taken together with other means of satisfying the Holdback as provided herein (i.e., cash contributed to the Trust Account or an L/C in the Trust Account)), then up to 100% of the net proceeds otherwise distributable to such Partner or Withdrawn Partner from such Special Firm Collateral Realization (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) shall be paid into the Trust (and allocated to such Partner or Withdrawn Partner) to fully satisfy such Holdback and shall be deemed thereafter to be Trust Amounts for purposes hereunder. Any net proceeds from such Special Firm Collateral Realization in excess of the amount necessary to satisfy such Holdback (excluding any Excess Holdback) shall be distributed to such Partner or Withdrawn Partner. To the extent a Qualifying Fund distributes Securities to a Partner or Withdrawn Partner in connection with a Special Firm Collateral Realization, such Partner or Withdrawn Partner shall be required to promptly fund such Partner's or Withdrawn Partner's deficiency with respect to his Holdback in cash or an L/C.

(C) Upon any valuation or revaluation of the Special Firm Collateral and/or any adjustment in the Applicable Collateral Percentage applicable to a Qualifying Fund, if such Partner's or Withdrawn Partner's Special Firm Collateral valued at less than such Partner's Holdback (excluding any Excess Holdback) as provided in the books and records of the Partnership, taking into account other permitted means of satisfying the Holdback hereunder, the Partnership shall provide notice of the foregoing to such Partner or Withdrawn Partner and, within 10 business days of receiving such notice, such Partner or Withdrawn Partner shall

contribute cash or additional Special Firm Collateral to the Trust Account in an amount necessary to make up such deficiency. If any such Partner or Withdrawn Partner defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that clause (A) of the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to such default; provided further , that for purposes of applying Section 5.8(d)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(D) Upon a Partner becoming a Withdrawn Partner, at any time thereafter the General Partner may revoke the ability of such Withdrawn Partner to use Special Firm Collateral as set forth in this Section 4.1(d)(viii), notwithstanding anything else in this Section 4.1(d)(viii). In that case the provisions of clause (C) above shall apply to the Withdrawn Partner's obligation to satisfy the Holdback (except that 30 days' notice of such revocation shall be given), given that the Special Firm Collateral is no longer available to satisfy any portion of the Holdback (excluding any Excess Holdback).

(E) Nothing in this Section 4.1(d)(viii) shall prevent any Partner or Withdrawn Partner from using any amount of such Partner's interest in a Qualifying Fund as Firm Collateral; provided that at all times Section 4.1(d)(v) and this Section 4.1(d)(viii) are each satisfied.

Section 4.2. Interest . Interest on the balances of the Partners' capital (excluding capital invested in Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners' capital accounts at the end of each accounting period pursuant to Section 5.2, or at any other time as determined by the General Partner, at rates determined by the General Partner from time to time, and shall be charged as an expense of the Partnership.

Section 4.3. Withdrawals of Capital . The Partners may not withdraw capital from the Partnership except (i) for distributions of cash or other property pursuant to Section 5.8, (ii) as otherwise expressly provided in this Agreement, or (iii) as determined by the General Partner.

ARTICLE V

PARTICIPATION IN PROFITS AND LOSSES

Section 5.1. General Accounting Matters . (a) Net Income (Loss) shall be determined by the General Partner at the end of each accounting period and shall be allocated as described in Section 5.4.

(b) " *Net Income (Loss)* " from any activity of the Partnership for any accounting period means (i) the gross income realized by the Partnership from such activity during such accounting period less (ii) all expenses of the Partnership, and all other items that are deductible from gross income, for such accounting period that are allocable to such activity (determined as provided below).

" *Net Income (Loss)* " from any Investment for any accounting period in which such Investment has not been sold or otherwise disposed of means (i) the gross amount of dividends, interest or other income received by the Partnership from such Investment during such accounting period less (ii) all expenses of the Partnership for such accounting period that are allocable to such Investment (determined as provided below).

" *Net Income (Loss)* " from any Investment for the accounting period in which such Investment is sold or otherwise disposed of means (i) the sum of the gross proceeds from the sale or other disposition of such Investment and the gross amount of dividends, interest or other income received by the Partnership from such Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such Investment and all expenses of the Partnership for such accounting period that are allocable to such Investment.

Net Income (Loss) shall be determined in accordance with the accounting method used by the Partnership for U.S. federal income tax purposes with the following adjustments: (i) any income of the Partnership that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Net Income (Loss) shall be added to such taxable income or loss; (ii) if any asset has a value on the books of the Partnership that differs from its adjusted tax basis for U.S. federal income tax purposes, any depreciation, amortization or gain resulting from a disposition of such asset shall be calculated with reference to such value; (iii) upon an adjustment to the value of any asset on the books of the Partnership pursuant to Regulation Section 1.704-1(b)(2), the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (iv) any expenditures of the Partnership not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Net Income (Loss) pursuant to this definition shall be treated as deductible items; (v) any income from an Investment that is payable to Partnership employees in respect of "phantom interests" in such Investment awarded by the General Partner to employees shall be included as an expense in the calculation of Net Income (Loss) from such Investment, and (vi) items of income and expense (including interest income and overhead and other indirect expenses) of the Partnership, Holdings and other affiliates of the Partnership shall be allocated among the Partnership, Holdings and such affiliates, among various Partnership activities and Investments and between accounting periods, in each case as determined by the General Partner. Any adjustments to Net Income (Loss) as it deem appropriate from time to time, including adjustments for items of income accrued but not yet received, unrealized gains, items of expense accrued but not yet paid, unrealized losses, reserves (including reserves for taxes, bad debts, actual or threatened litigation, or any other expenses, contingencies or obligations) and other appropriate items shall be made in accordance with U.S. generally accepted accounting principles ("GAAP"); provided that the General Partner shall not be required to make any such adjustment.

(c) An accounting period shall be a Fiscal Year except that, at the option of the General Partner, an accounting period will terminate and a new accounting period will begin on the admission date of an additional Partner or the Settlement Date of a Withdrawn Partner, if any such date is not the first day of a Fiscal Year. If any event referred to in the preceding sentence occurs and the General Partner does not elect to terminate an accounting period and begin a new accounting period, then the General Partner may make such adjustments as it deems appropriate to the Partners' Profit Sharing Percentages for the accounting period in which such event occurs (prior to any allocations of Unallocated Percentages or adjustments to Profit Sharing Percentages pursuant to Section 5.3) to reflect the Partners' average Profit Sharing Percentages during such accounting period; provided , however , that the Profit Sharing Percentages of Partners in Net Income (Loss) from Investments acquired during such accounting period will be based on Profit Sharing Percentages in effect when each such Investment was acquired.

(d) In establishing Profit Sharing Percentages and allocating Unallocated Percentages pursuant to Section 5.3, the General Partner may consider such factors as it deems appropriate.

(e) All determinations, valuations and other matters of judgment required to be made for accounting purposes under this Agreement shall be made by the General Partner and approved by the Partnership's independent accountants. Such approved determinations, valuations and other accounting matters shall be conclusive and binding on all Partners, all Withdrawn Partners, their successors, heirs, estates or legal representatives and any other person, and to the fullest extent permitted by law no such person shall have the right to an accounting or an appraisal of the assets of the Partnership or any successor thereto.

Section 5.2. Capital Accounts . (a) There shall be established for each Partner on the books of the Partnership, to the extent and at such times as may be appropriate, one or more capital accounts as the General Partner may deem to be appropriate for purposes of accounting for such Partner's interests in the capital and Net Income (Loss) of the Partnership.

(b) As of the end of each accounting period or, in the case of a contribution to the Partnership by one or more of the Partners or a distribution by the Partnership to one or more of the Partners, at the time of such contribution or distribution, (i) the appropriate capital accounts of each Partner shall be credited with the following amounts: (A) the amount of cash and the value of any property contributed by such Partner to the capital of the Partnership during such accounting period, (B) the Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital for such accounting period pursuant to Section 4.3; and (ii) the appropriate capital accounts of each Partner shall be debited with the following amounts: (x) the amount of cash, the principal amount of any subordinated promissory note of the Partnership referred to in Section 6.5(k) (as such amount is paid) and the value of any property distributed to such Partner during such accounting period and (y) the Net Loss allocated to such Partner for such accounting period.

Section 5.3. Profit Sharing Percentages . (a) Prior to the beginning of each annual accounting period, the General Partner shall (i) establish the Profit Sharing Percentage of each Partner in each category of Net Income (Loss) for such annual accounting period pursuant to Section 5.1(a) taking into account such factors as the General Partner deems appropriate, including those referred to in Section 5.1(d), and (ii) disclose such Profit Sharing Percentages as required by the Partnership Act; provided, however, that (i) the General Partner may elect to establish Profit Sharing Percentages in Net Income (Loss) from any Investment acquired by the Partnership during such accounting period at the time such Investment is acquired in accordance with paragraph (d) below and (ii) Net Income (Loss) for such accounting period from any Investment shall be allocated in accordance with the Profit Sharing Percentages in such Investment established in accordance with paragraph (d) below. The General Partner may establish different Profit Sharing Percentages for any Partner in different categories of Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner's Profit Sharing Percentages shall be allocated by the General Partner to one or more of the remaining Partners as the General Partner shall determine. In the case of the admission of any Partner to the Partnership as an additional Partner, the Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner's Profit Sharing Percentage shall be pro rata based upon such Partner's Profit Sharing Percentage as in effect immediately prior to the admission of the new Partner. Notwithstanding the foregoing, the General Partner may also adjust the Profit Sharing Percentage of any Partner for any annual accounting period at the end of such annual accounting period in its sole discretion.

(b) The General Partner may elect to allocate to the Partners less than 100% of the Profit Sharing Percentages of any category for any annual accounting period at the time specified in Section 5.3(a) for the annual fixing of Profit Sharing Percentages (any remainder of such Profit Sharing Percentages being called an " *Unallocated Percentage* "); provided , however , that any Unallocated Percentage in any category of Net Income (Loss) for any annual accounting period that is not allocated by

the General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among the Partners (including Holdings) in the manner determined by the General Partner in its sole discretion.

(c) Unless otherwise determined by the General Partner in a particular case, (i) Profit Sharing Percentages in Net Income (Loss) from any Investment shall be allocated in proportion to the Partners' respective capital contributions in respect of such Investment and (ii) Profit Sharing Percentages in Net Income (Loss) from each Investment shall be fixed at the time such Investment is acquired and shall not thereafter change, subject to any repurchase rights or other requirements established by the General Partner pursuant to Section 5.7. The General Partner shall have no Profit Sharing Percentage in Net Income (Loss) from any Investment, but shall receive its pro rata share, based on its capital contribution, of earnings on short-term and temporary investments of the Partnership.

Section 5.4. Allocations of Net Income (Loss) . (a) Except as provided in Sections 5.4(d) and 5.4(e), Net Income for each BREI Investment shall be allocated to the Capital Accounts related to such BREI Investment of all the Partners participating in such BREI Investment: first, in proportion to and to the extent of the amount of Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest distributed to the Partners, second, to Partners that received Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest in years prior to the years such Net Income is being allocated to the extent such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest exceeded Net Income allocated to such Partners in such earlier years; and third, to the Partners in the same manner that such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest would have been distributed if cash were available to distribute with respect thereto.

(b) Net Loss of the Partnership shall be allocated as follows: (i) Net Loss relating to realized losses suffered by BREI and allocated (indirectly) to the Partnership with respect to its pro rata share thereof (based on capital contributions made (indirectly) to BREI) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage (subject to adjustment pursuant to Section 5.8(e)) with respect to the Investment giving rise to such loss suffered by BREI and (ii) Net Loss relating to realized losses suffered by BREI and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss);

(c) Notwithstanding Section 5.4(a) above, Net Income relating to Carried Interest allocated after the allocation of a Net Loss pursuant to clause (ii) of Section 5.4(b) shall be allocated in accordance with such Carried Interest Give Back Percentages until such time as the Partners have been allocated Net Income relating to Carried Interest equal to the aggregate amount of Net Loss previously allocated in accordance with clause (ii) of Section 5.4(b). Withdrawn Partners shall remain Partners for purposes of allocating such Net Loss with respect to Carried Interest.

(d) To the extent the Partnership has any Net Income (Loss) for any accounting period unrelated to BREI, such Net Income (Loss) will be allocated in accordance with Profit Sharing Percentages prevailing at the beginning of such accounting period, except as provided in Section 5.4(e).

(e) The General Partner may authorize from time to time advances to Partners against their allocable shares of Net Income (Loss).

Section 5.5. Liability of General and Limited Partners . (a) General Partner shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

(b) Each Limited Partner (including each Special Limited Partner) and former Limited Partner shall be liable for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership allocable to him pursuant to Section 5.4, but only to the extent of his aggregate contribution to the Partnership pursuant to this Agreement. Except as otherwise provided in the following sentence, in no event shall any Limited Partner (including any Special Limited Partner) or former Limited Partner be obligated to make any additional capital contribution to the Partnership in excess of his aggregate capital contribution to the Partnership pursuant to Section 4.1, or have any liability in excess of such aggregate capital contribution for the satisfaction and discharge of the losses, liabilities and expenses of the Partnership. In no way does any of the foregoing limit any Partner's obligations under Section 4.1(d) or 5.8(d) or otherwise to make capital contributions as provided hereunder. Notwithstanding anything contained herein, each Partner agrees that the exercise of any right or power provided in this Agreement shall not make any Limited Partner liable as a general partner.

Section 5.6. [Intentionally omitted.]

Section 5.7. Repurchase Rights, etc. The General Partner may from time to time establish repurchase rights and/or other requirements with respect to the Partners' interests in partnership assets (including BREI Investments) as the General Partner may determine. The General Partner shall, prior to the dissolution of the Partnership, have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such other requirements are satisfied, (b) pay any distribution to any Partner that is Contingent as of the distribution date and require the refund of any portion of such distribution that is Contingent as of the Withdrawal Date of such Partner, (c) amend any previously established repurchase rights or other requirements from time to time and (d) make such exceptions thereto as it may determine on a case by case basis.

Section 5.8. Distributions .

(a) (i) The Partnership shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Partners at such times and in such amounts as are determined by the General Partner. The General Partner shall determine the availability for distribution of, and shall distribute, cash or other property separately for each category of Net Income (Loss) established pursuant to Section 5.1(a). Subject to Section 5.8(e), distributions of cash or other property with respect to Non-Carried Interest shall be made among the Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d), distributions of cash or other property with respect to Carried Interest shall be made among Partners in accordance with their respective Carried Interest Sharing Percentages.

(ii) Special Limited Partner or itself a total percentage of any investment in excess of the aggregate Profit Sharing Percentage of such Special Limited Partner or itself, respectively, and (iii) the percentage so distributed of any investment to any Investor Limited Partner shall not exceed such Partner's Profit Sharing Percentage of such distribution.

(b) Subject to the Partnership's having sufficient available cash in the reasonable judgment of the General Partner, the Partnership shall make cash distributions to each Partner with respect to each Fiscal Year of the Partnership in an aggregate amount at least equal to the total U.S. Federal, New York State and New York City income and other taxes that would be payable by such Partner with respect to all categories of Net Income (Loss) allocated to such Partner for such Fiscal Year, the amount of which shall be calculated (i) on the assumption that each Partner is an individual subject to the then prevailing maximum U.S. Federal, New York State and New York City income tax rates, (ii) taking into account the deductibility of state and local income and other taxes for U.S. Federal income tax purposes and (iii) taking into account any differential in applicable rates due to the type and character of

Net Income (Loss) allocated to such Partner. Notwithstanding the provisions of the foregoing sentence, the General Partner may refrain from making any distribution if, in the reasonable judgment of the General Partner, such distribution is prohibited by, or in violation of, the Partnership Act.

(c) The General Partner may provide that the Partner interest of any Partner or employee (including such of Partner's or employee's right to distributions and investments of the Partnership related thereto) may be subject to repurchase by the Partnership during such period as the General Partner shall determine (a " *Repurchase Period* "). Any Contingent distributions from investments subject to repurchase rights will be withheld by the Partnership and will be distributed to the recipient thereof (together with interest thereon at rates determined by the General Partner from time to time) as the recipient's rights to such distributions become Non-Contingent (by virtue of the expiration of the applicable Repurchase Period or otherwise). The General Partner may elect in an individual case to have the Partnership distribute any Contingent distribution to the applicable recipient thereof irrespective of whether the applicable Repurchase Period has lapsed. If a Partner Withdraws from the Partnership for any reason other than death, Total Disability or Incompetence, the undistributed share of any investment that remains Contingent as of the applicable Withdrawal Date may be repurchased by the Partnership at a purchase price determined at such time by the General Partner. Unless determined otherwise by the General Partner, the repurchased portion thereof will be allocated among the remaining Partners with interests in such investment in proportion to their respective percentage interests in such investment, or if no other Partner has a percentage interest in such specific investment, to Holdings; provided , however , that the General Partner may allocate the Withdrawn Partner's share of unrealized investment income from a repurchased investment attributable to the period after the Withdrawn Partner's Withdrawal Date on any basis it may determine, including to existing or new Partners who did not previously have interests in such investment, except that, in any event, each Investor Limited Partner shall be allocated a share of such unrealized investment income equal to its respective Profit Sharing Percentage of such unrealized investment income.

(d) (i) (A) If the Partnership is obligated under the Clawback Provisions to contribute a Clawback Amount to BREI, the Partnership shall call for such amounts as are necessary to satisfy such obligations as determined by the General Partner, in which case each Partner and Withdrawn Partner shall contribute to the Partnership in cash, when and as called by the Partnership, such an amount of prior distributions by the Partnership (and the Other Fund GPs) with respect to Carried Interest (the " *Recontribution Amount* ") which equals the product of (a) a Partner's or Withdrawn Partner's Carried Interest Give Back Percentage and (b) the aggregate Clawback Amount payable by the Partnership. Each Partner and Withdrawn Partner shall promptly contribute to the Partnership, along with satisfying his comparable obligations to the Other Fund GPs, upon such call such Partner's or Withdrawn Partner's Recontribution Amount, less the amount paid out of the Trust Account on behalf of such Partner or Withdrawn Partner by the Trustee(s) pursuant to written instructions from the Partnership, or if applicable, any of the Other Fund GPs with respect to Carried Interest (the " *Net Recontribution Amount* "), irrespective of the fact that the amounts in the Trust Account may be sufficient on an aggregate basis to satisfy the Partnership's and Other Fund GPs' obligation under the Clawback Provisions; provided , that to the extent a Partner's or Withdrawn Partner's share of the amount paid with respect to the Clawback Amount exceeds his Recontribution Amount, such excess shall be repaid to such Partner or Withdrawn Partner as promptly as reasonably practicable, subject to clause (ii) below; provided further , that such written instructions from the Partnership shall specify each Partner's and Withdrawn Partner's Recontribution Amount. Prior to such time, the Partnership may, in its discretion (but shall be under no obligation to), provide notice that in the Partnership's judgment, the potential obligations in respect of the Clawback Provisions will probably materialize (and an estimate of the aggregate amount of such obligations).

(B) To the extent any Partner or Withdrawn Partner has satisfied any Excess Holdback obligation with Firm Collateral, such Partner or Withdrawn Partner shall, within 10 days of the Partnership's call for Recontribution Amounts, make a cash payment into the Trust Account in an amount equal to the amount of the Excess Holdback obligation satisfied with such Firm Collateral, or such lesser amount such that the amount in the Trust Account allocable to such Partner or Withdrawn Partner equals the sum of (I) such Partner's or Withdrawn Partner's Recontribution Amount and (II) any similar amounts payable to any Other Fund GPs. Immediately upon receipt of such cash, the Trustee(s) shall take such steps as are necessary to release such Firm Collateral of such Partner or Withdrawn Partner equal to the amount of such cash payment. If the amount of such cash payment is less than the amount of Firm Collateral of such Partner or Withdrawn Partner, the balance of such Firm Collateral if any, shall be retained to secure the payment of Deficiency Contributions, if any, and shall be fully released upon the satisfaction of the Partnership's obligation to pay the Clawback Amount. The failure of any Partner or Withdrawn Partner to make a cash payment in accordance with this clause (B) (to the extent applicable) shall constitute a default under Section 5.8(d)(ii) as if such cash payment hereunder constitutes a Net Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner (a " *Defaulting Party* ") fails to recontribute all or any portion of such Defaulting Party's Net Recontribution Amount for any reason, the Partnership shall require all other Partners and Withdrawn Partners to contribute, on a *pro rata* basis (based on each of their respective Carried Interest Give Back Percentages), such amounts as are necessary to fulfill the Defaulting Party's obligation to pay such Defaulting Party's Net Recontribution Amount (a " *Deficiency Contribution* ") if the General Partner determines in its good faith judgment that the Partnership (or Other Fund GP) will be unable to collect such amount in cash from such Defaulting Party for payment of the Clawback Amount at least 20 Business Days prior to the latest date that the Partnership is permitted to pay the Clawback Amount; provided , that, subject to Section 5.8(e), no Partner shall as a result of such Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of the Net Recontribution Amount initially requested from such Partner in respect of such default. . Thereafter, the General Partner shall determine in its good faith judgment that the Partnership should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the General Partner or (2) pursue any and all remedies (at law or equity) available to the Partnership against the Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Defaulting Party. It is agreed that the Partnership shall have the right (effective upon such Defaulting Party becoming a Defaulting Party) to set-off as appropriate and apply against such Defaulting Party's Net Recontribution Amount any amounts otherwise payable to the Defaulting Party by the Partnership or any Affiliate thereof (including amounts unrelated to Carried Interest, such as returns of capital and profit thereon). Each Partner and Withdrawn Partner hereby grants to the Partnership a security interest, effective upon such Partner or Withdrawn Partner becoming a Defaulting Party, in all accounts receivable and other rights to receive payment from any affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the Partnership may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the Partnership as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or Withdrawn Partner or in its own name, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Partnership shall be entitled to collect interest on the Net Recontribution Amount of a Defaulting Party from the date such Recontribution Amount was required to be contributed to the Partnership at a rate equal to the Default Rate.

(B) Any Partner's or Withdrawn Partner's failure to make a Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to a Partner or Withdrawn Partner to satisfy such Partner's or Withdrawn Partner's obligation to make a Deficiency Contribution before seeking cash contributions from such Partner or Withdrawn Partner in satisfaction of such Partner's or Withdrawn Partner's obligation to make a Deficiency Contribution.

(iii) A Partner or Withdrawn Partner's obligation to make contributions to the Partnership under this Section 5.8(d) shall survive the termination of the Partnership.

(e) The Partners acknowledge that the General Partner will (and are hereby authorized to) take such steps as it deems appropriate, in its good faith judgment, to further the objective of providing for the fair and equitable treatment of all Partners, including by allocating Writedowns and Losses (as defined in the BREI Agreement) on BREI Investments that have been the subject of a Writedown and/or Losses (each, a " *Loss Investment* ") to those Partners who participated in such Loss Investments based on their Carried Interest Sharing Percentage therein to the extent that such Partners receive or have received Carried Interest distributions from other BREI Investments. Consequently and notwithstanding anything herein to the contrary, adjustments to Carried Interest distributions shall be made as set forth in this Section 5.8(e).

(i) At the time the Partnership is making Carried Interest distributions in connection with a BREI Investment (the " *Subject Investment* ") that have been reduced under the BREI Agreement as a result of one or more Loss Investments, the General Partner shall calculate amounts distributable to or due from each such Partner as follows:

(A) determine each Partner's share of each such Loss Investment based on his Carried Interest Sharing Percentage in each such Loss Investment (which may be zero) to the extent such Loss Investment has reduced the Carried Interest distributions otherwise available for distribution to all Partners (indirectly through the Partnership from BREI) from the Subject Investment (such reduction, the " *Loss Amount* ");

(B) determine the amount of Carried Interest distributions otherwise distributable to such Partner with respect to the Subject Investment (indirectly through the Partnership from BREI) before any reduction in respect of the amount determined in clause (A) above (the " *Unadjusted Carried Interest Distributions* "); and

(C) subtract (I) the Loss Amounts relating to all Loss Investments from (II) the Unadjusted Carried Interests Distributions for such Partner, to determine the amount of Carried Interest distributions to actually be paid to such Partner (" *Net Carried Interest Distribution* ").

To the extent that the Net Carried Interest Distribution for a Partner as calculated in this clause (i) is a negative number, the General Partner shall (I) notify such Partner, at or prior to the time such Carried Interest distributions are actually made to the Partners, of his obligation to recontribute to the Partnership prior Carried Interest distributions (a " *Net Carried Interest Distribution Recontribution Amount* "), up to the amount of such negative Net Carried Interest Distribution, and (II) to the extent amounts recontributed pursuant to clause (I) are insufficient to satisfy such negative Net Carried Interest Distribution Amount, reduce future Carried Interest distributions otherwise due such Partner, up to the amount of such remaining negative Net Carried Interest Distribution. If a Partner's (x) Net Carried Interest Distribution Recontribution

Amount exceeds (y) the aggregate amount of prior Carried Interest distributions less the amount of tax thereon, calculated based on the Assumed Tax Rate (as defined in the BREI Agreement) in effect in the Fiscal Years of such distributions (the " *Excess Tax-Related Amount* "), then such Partner may, in lieu of paying such Partner's Excess Tax-Related Amount, defer such amounts as set forth below. Such deferred amount shall accrue interest at the rate of interest publicly announced from time to time by The Chase Manhattan Bank in New York City, as its prime rate. Such deferred amounts shall be reduced and repaid by the amount of Carried Interest otherwise distributable to such Partner in connection with future Carried Interest distributions until such balance is reduced to zero. Any deferred amounts shall be payable in full upon the earlier of (i) such time as the Clawback Amount is determined (as provided herein) and (ii) such time as the Partner becomes a Withdrawn Partner.

To the extent there is an amount of negative Net Carried Interest Distribution with respect to a Partner remaining after the application of this clause (i), notwithstanding clause (II) of the preceding paragraph, such remaining amount of negative Net Carried Interest Distribution shall be allocated to the other Partners pro rata based on each of their Carried Interest Sharing Percentages in the Subject Investment.

A Partner who fails to pay a Net Carried Interest Distribution Recontribution Amount promptly upon notice from the General Partner (as provided above) shall be deemed a Defaulting Party for all purposes hereof.

A Partner may satisfy in part any Net Carried Interest Distribution Recontribution Amount from cash that is then subject to a Holdback, to the extent that the amounts that remain subject to a Holdback satisfy the Holdback requirements hereof as they relate to the reduced amount of aggregate Carried Interest distributions received by such Partner (taking into account any Net Carried Interest Distribution Recontribution Amount contributed to the Partnership by such Partner).

Any Net Carried Interest Distribution Recontribution Amount contributed by a Partner, including amounts of cash subject to a Holdback as provided above, shall increase the amount available for distribution to the other Partners as Carried Interest distributions with respect to the Subject Investment; provided , that any such amounts then subject to a Holdback may be so distributed to the other Partners to the extent a Partner receiving such distribution has satisfied the Holdback requirements with respect to such distribution (taken together with the other Carried Interest distributions received by such Partner to date).

(ii) In the case of Clawback Amounts which are required to be contributed to the Partnership as otherwise provided herein, the obligation of the Partners with respect to any Clawback Amount shall be adjusted by the General Partner as follows:

(A) determine each Partner's share of any Losses in any BREI Investments which gave rise to the Clawback Amount (i.e. , the Losses that followed the last BREI Investment with respect to which Carried Interest distributions were made), based on such Partner's Carried Interest Sharing Percentage in such BREI Investments;

(B) determine each Partner's obligation with respect to the Clawback Amount based on such Partner's Carried Interest Give Back Percentage as otherwise provided herein; and

(C) subtract the amount determined in clause (B) above from the amount determined in clause (A) above with respect to each Partner to determine the amount of adjustment to each Partner's share of the Clawback Amount (a Partner's " *Clawback Adjustment Amount* ").

A Partner's share of the Clawback Amount shall for all purposes hereof be decreased by such Partner's Clawback Adjustment Amount, to the extent it is a negative number (except to the extent expressly provided below). A Partner's share of the Clawback Amount shall for all purposes hereof be increased by such Partner's Clawback Adjustment Amount (to the extent it is a positive number); provided , that in no way shall a Partner's aggregate obligation to satisfy a Clawback Amount as a result of this clause (ii) exceed the aggregate Carried Interest distributions received by such Partner. To the extent a positive Clawback Adjustment Amount remains after the application of this clause (ii) with respect to a Partner, such remaining Clawback Adjustment Amount shall be allocated to the Partners (including any Partner whose Clawback Amount was increased pursuant to this clause (ii)) pro rata based on their Carried Interest Give Back Percentage (determined without regard to this clause (ii)).

Any distribution or contribution adjustments pursuant to this Section 5.8(e) by the General Partner shall be based on its good faith judgment, and no Partner shall have any claim against the Partnership, the General Partner or any other Partners as a result of any adjustment made as set forth above. This Section 5.8(e) applies to all Partners, including Withdrawn Partners.

It is agreed and acknowledged that this Section 5.8(e) is an agreement among the Partners and in no way modifies the obligations of each Partner regarding the Clawback Amount as provided in the BREI Agreement.

Section 5.9. Business Expenses . The Partnership shall reimburse the Partners for reasonable travel, entertainment and miscellaneous expenses incurred by them in the conduct of the Partnership's business in accordance with rules and regulations established by the General Partner from time to time.

ARTICLE VI

ADDITIONAL PARTNERS; WITHDRAWAL OF PARTNERS; SATISFACTION AND DISCHARGE OF PARTNERSHIP INTERESTS; TERMINATION

Section 6.1. Additional Partners . (a) Effective on the first day of any month, the General Partner shall have the right to admit one or more additional persons into the Partnership as General Partners or Limited Partners. The General Partner shall determine and negotiate with the additional Partner all terms of such additional Partner's participation in the Partnership, including the additional Partner's initial capital contribution and Profit Sharing Percentage. Each additional Partner shall have such voting rights as may be determined by the General Partner from time to time unless, upon the admission to the Partnership of any Limited Partner, the General Partner shall designate that such Limited Partner shall not have such voting rights (any such Limited Partner being called a " *Nonvoting Limited Partner* "). Any additional Partner shall, as a condition to becoming a Partner, agree to become a party to, and be bound by the terms and conditions of, the Trust Agreement.

(b) The Profit Sharing Percentages to be allocated to an additional Partner as of the date such Partner is admitted to the Partnership, together with the pro rata reduction in all other Partners' Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3.

(c) An additional Partner shall be required to contribute to the Partnership his pro rata share of the Partnership's total capital, excluding capital in respect of Investments in which such Partner does not acquire any interests, at such times and in such amounts as shall be determined by the General Partner in accordance with Section 4.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a counterpart copy of this Agreement by such additional Partner or the execution of an amendment to this Agreement by all the Partners (including the additional Partner), as determined by the General Partner, and (ii) the filing of any certificates or notifications pursuant to the Partnership Act. In addition, each additional Partner shall sign a counterpart copy of the Trust Agreement or any other writing evidencing the intent of such person to become a party to the Trust Agreement that is accepted by the General Partner on behalf of the Partnership.

Section 6.2. Withdrawal of Partners . (a) Any Partner may Withdraw voluntarily from the Partnership on the last day of any calendar month, on not less than 15 days' prior written notice by such Partner to the General Partner (or on such shorter notice period as may be mutually agreed upon between such Partner and the General Partner); provided, however, that a Partner may not voluntarily Withdraw without the consent of the General Partner if such Withdrawal would (i) cause the Partnership to be in default under any of its contractual obligations or (ii) in the reasonable judgment of the General Partner, have a material adverse effect on the Partnership or its business.

(b) (i) Upon the death or Incompetence of any Limited Partner, or the occurrence of any other mandatory Withdrawal event under the Partnership Act with respect to any Limited Partner, such Limited Partner shall thereupon cease to be a Limited Partner.

(ii) The General Partner may not assign or transfer all or any portion of its interest in the Partnership without the prior consent of all the Limited Partners. Each Limited Partner agrees not to withhold its consent in the event an assignment or transfer has been approved by Limited Partners whose Profit Sharing Percentages exceed two-thirds of the Profit Sharing Percentages of all Limited Partners (in each case, as last determined as of the date of the consent). Notwithstanding the foregoing or any other provision of this Agreement, the General Partner may, at any time prior to any Disabling Event with respect to such General Partner and without the consent of any other Partner, convert or merge into, or otherwise assign or transfer its interest as the General Partner of the Partnership to, any other person, and such person will succeed to the position of general partner of the Partnership, with all the rights, powers and obligations associated therewith, provided that any individuals who are shareholders of the General Partner will control and own (in the aggregate), directly or indirectly, not less than a majority of the equity interests in such other person. The Partners, upon the request of the General Partner, agree to provide the General Partner a written ratification of such succession. If the General Partner is converted to another type of entity pursuant to this Section 6.2(b)(ii), the General Partner will not cease to be the General Partner of the Partnership and, upon such conversion, the Partnership will continue without dissolution. If a merger of the General Partner into another person pursuant to this Section 6.2(b)(ii) will not result in the General Partner being the surviving entity of the merger, the person that will be the surviving entity in the merger with the General Partner will itself be admitted to the Partnership as an additional general partner of the Partnership immediately preceding the merger upon its execution of a counterpart to this Agreement and, upon such merger, the Partnership will continue without dissolution. Any purported assignment or transfer pursuant to this Section 6.2(b)(ii) which is not in accordance

with this Agreement shall be null and void. The General Partner shall not cease to be the general partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire interest in the Partnership.

(c) Upon the Total Disability of a Special Limited Partner, such Partner shall thereupon cease to be a Special Limited Partner; provided , however , that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with such partnership interest as it may determine. The determination of whether any Partner has suffered a Total Disability shall be made by the General Partner in its sole discretion after consultation with a qualified medical doctor. In the absence of agreement between the General Partner and such Partner, each party shall nominate a qualified medical doctor and the two doctors shall select a third doctor, who shall make the determination as to Total Disability.

(d) If the General Partner determines that it shall be in the best interests of the Partnership for any Partner (including any Partner who has given notice of voluntary Withdrawal pursuant to paragraph (a) above) to Withdraw from the Partnership (whether or not Cause exists), such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw as of a date specified in such notice, which date shall be on or after the date of such notice. If the General Partner requires any Partner to Withdraw for Cause, such notice shall state that it has been given for Cause and shall describe the particulars thereof in reasonable detail.

(e) The withdrawal from the Partnership of any Partner shall not, in and of itself, affect the obligations of the other Partners to continue the Partnership during the remainder of its term. A Withdrawn General Partner shall remain liable for all obligations of the Partnership incurred while it was a General Partner and resulting from its acts or omissions as a General Partner to the fullest extent provided by law.

Section 6.3. Partnership Interests Not Transferable . (a) No Limited Partner may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Partner's interest in the Partnership other than as permitted by written agreement between such Partner and the Partnership; provided , however, that this Section 6.3 shall not impair transfers by operation of law, transfers by will or by other testamentary instrument occurring by virtue of the death or dissolution of a Partner, or transfers required by trust agreements; provided further , that a Special Limited Partner may assign, for estate planning purposes, up to 25% of his Profit Sharing Percentage any estate planning trust, limited partnership or limited liability company with respect to which a Partner controls Investment related to any Interest in the Partnership (an " *Estate Planning Vehicle* "). Each Estate Planning Vehicle will be a Nonvoting Special Limited Partner. Such Partner and the Nonvoting Special Limited Partner will be jointly and severally liable for all obligations of both such Partner and such Nonvoting Special Limited Partner with respect to the Partnership (including the obligation to make additional capital contributions), as the case may be. The General Partner may at its sole option exercisable at any time require such Estate Planning Vehicle to withdraw from the Partnership on the terms of this Article VI. Except as provided in the second proviso to the first sentence of this Section 6.3, no assignee, legatee, distributee, heir or transferee (by conveyance, operation of law or otherwise) of the whole or any portion of any Partner's interest in the Partnership shall have any right to be a General Partner or Limited Partner without the prior written consent of the General Partner (which consent may be withheld without giving reason therefor). Notwithstanding the granting of a security interest in the entire partnership interest of any Partner, such Partner shall continue to be a partner of the Partnership.

Section 6.4. General Partner Withdrawal . Except as contemplated by Section 6.2(b)(ii), withdrawal by a General Partner is not permitted. The General Partner may, in accordance with Section 6.2(b)(ii), transfer or assign its interest as a general partner in the Partnership. A person who is admitted

as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs and take part in the control of the Partnership and to vote as a Partner to the extent of the interest in the Partnership so acquired. The General Partner shall not cease to be the general partner of the Partnership upon the collateral assignment of or the pledging or granting of a security interest in its entire interest in the Partnership.

Section 6.5. Satisfaction and Discharge of a Withdrawn Partner's Interest . (a) As used in this Agreement, (i) the term " *Withdrawn Partner* " shall mean a Limited Partner whose interest in the Partnership has been terminated for any reason, including the occurrence of an event specified in Section 6.2, and shall include, unless the context requires otherwise, the estate or legal representatives of any such Partner, (ii) the term " *Withdrawal Date* " shall mean the date of the Withdrawal from the Partnership of a Withdrawn Partner and (iii) the term " *Settlement Date* " shall mean the date as of which a Withdrawn Partner's interest in the Partnership is settled as determined under paragraph (b) below. The provisions of this Section 6.5 are subject to any written agreement between a Withdrawn Partner and the General Partner in accordance with Section 8.4.

(b) Except where a later date for the settlement of a Withdrawn Partner's interest in the Company may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner's Settlement Date shall be his Withdrawal Date; provided, that if a Withdrawn Partner's Withdrawal is not the last day of a month, then the General Partner may elect for such Withdrawn Partner's Settlement Date to be the last day of the month in which his Withdrawal Date occurs. During the interval, if any, between a Withdrawn Partner's Withdrawal Date and Settlement Date, such Withdrawn Partner shall have the same rights and obligations with respect to capital contributions, interest on capital, allocations of Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Company during such period.

(c) In the event of the Withdrawal of a Limited Partner, the General Partner shall, promptly after such Withdrawn Partner's Settlement Date (i) determine and allocate to the Withdrawn Partner's capital account such Withdrawn Partner's allocable share of the Net Income (Loss) of the Partnership for the period ending on such Settlement Date in accordance with Article V and (ii) credit the Withdrawn Partner's capital account with interest in accordance with Section 5.2. In making the foregoing calculations, the General Partner shall be entitled to establish such reserves (including reserves for taxes, bad debts, unrealized losses, actual or threatened litigation or any other expenses, contingencies or obligations) as it deems appropriate. Except as provided in this Section 6.5(c) and unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any amounts or Unallocated Percentage in respect of the accounting period during which such Partner Withdraws from the Partnership (whether or not previously awarded or allocated) or any amounts or Unallocated Percentage in respect of prior accounting periods that have not been paid or allocated (whether or not previously awarded) as of such Withdrawn Partner's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner's Profit Sharing Percentages shall, unless otherwise allocated by the General Partner pursuant to Section 5.3(a), be deemed to be Unallocated Percentages (except for Profit Sharing Percentages with respect to Investments as provided in paragraph (f) below).

(e) (i) Upon the Withdrawal from the Partnership of a Partner, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights), and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's Net Income (Loss), distributions, Investments or other assets. If a Partner Withdraws from the Partnership for any reason other than for Cause pursuant to Section 6.2, then the Withdrawn Partner shall be entitled to receive, at the time or times specified in

Section 6.5(i) below, in satisfaction and discharge in full of the Withdrawn Partner's interest in the Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's capital accounts, (excluding any capital account or portion thereof attributable to any Investment) and (y) the Withdrawn Partner's percentage interest attributable to each Investment in which the Withdrawn Partner has an interest as of the Settlement Date as provided in paragraph (f) below (which shall be settled in accordance with paragraph (f) below), subject to all the terms and conditions of paragraphs (a)-(q) of this Section 6.5. If the amount determined pursuant to clause (x) above is an aggregate negative balance, the Withdrawn Partner shall pay the amount thereof to the Partnership upon demand by the General Partner on or after the date of the statement referred to in Section 6.5(i) below; provided , however , that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his Withdrawal Date, such payment shall be required only to the extent of any amounts payable to such Withdrawn Partner pursuant to this Section 6.5. Any aggregate negative balance in the capital accounts of a Withdrawn Partner who was solely a Limited Partner (including a Special Limited Partner), upon the settlement of such Withdrawn Partner's interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' capital accounts in accordance with their respective Profit Sharing Percentages in the categories of Net Income (Loss) giving rise to such negative balance as determined by the General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or in anticipation of any value the Partnership or any successor thereto might have in the event the Partnership or any interest therein were to be sold in whole or in part. (ii) Notwithstanding clause (i) of this Section 6.5(e), in the case of a Partner whose Withdrawal resulted from such Partner's death or Incompetence, such Partner's estate or legal representative, as the case may be, may elect, at the time described below, to receive a Nonvoting Limited Partner Interest and retain such Partner's Profit Sharing Percentage in all (but not less than all) illiquid investments of the Partnership in lieu of a cash payment (or Note) in settlement of that portion of the Withdrawn Partner's interest. The election referred to above shall be made within 60 days after the Withdrawn Partner's Settlement Date, based on a statement of the settlement of such Withdrawn Partner's interest in the Partnership pursuant to Section 6.5.

(f) For purposes of clause (y) of paragraph (e) above, a Withdrawn Partner's "percentage interest" means his Profit Sharing Percentage as of the Settlement Date in the relevant Investment. The Withdrawn Partner shall retain his percentage interest in such Investment and shall retain his capital account or portion thereof attributable to such Investment, in which case such Withdrawn Partner (a "Retaining Withdrawn Partner") shall become a Nonvoting Limited Partner. The Interests of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to Interests of any kind hereunder and such other terms and conditions as are established by the General Partner. At the option of the General Partner in its sole discretion, the General Partner and the Retaining Withdrawn Partner may agree to have the Partnership acquire such interests without the approval of the other Partners; provided , that the General Partner shall reflect in the books and records of the Partnership the terms of any acquisition pursuant to this sentence.

(g) The General Partner may elect, in lieu of payment in cash of any amount payable to a Withdrawn Partner pursuant to paragraph (e) above, to have the Partnership issue the Withdrawn Partner a subordinated promissory note as provided in paragraph (k) below and/or to distribute in kind to the Withdrawn Partner such Withdrawn Partner's pro rata share (as determined by the General Partner) of any securities or other investments of the Partnership. If any securities or other investments are distributed in kind to a Withdrawn Partner under this paragraph (g), the amount described in clause (x) of paragraph (e) shall be reduced by the value of such distribution as valued on the latest balance sheet of the Partnership in accordance with generally accepted accounting principles or, if not appearing on such balance sheet, as reasonably determined by the General Partner.

(h) [Intentionally omitted].

(i) Within 120 days after the Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note (as referred to in paragraph (k) below) and in kind distributions to be made to such Partner as shall be determined by the General Partner. The General Partner shall submit to the Withdrawn Partner supplemental statements with respect to additional amounts payable to or by the Withdrawn Partner in respect of the settlement of his interest in the Partnership (e.g. , payments in respect of Investments pursuant to subparagraph (f) above or adjustments to reserves pursuant to paragraph (j) below) promptly after such amounts are determined by the General Partner. To the fullest extent permitted by law, such statements and the valuations on which they are based shall be accepted by the Withdrawn Partner without examination of the accounting books and records of the Partnership or other inquiry. Any amounts payable by the Partnership to a Withdrawn Partner pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment or provision for payment in full of claims of all present or future creditors of the Partnership or any successor thereto arising out of matters occurring prior to the applicable date of payment or distribution; provided that such Withdrawn Partner shall otherwise rank *pari passu* in right of payment (x) with all persons who become Withdrawn Partners and whose Withdrawal Date is within one year before the Withdrawal Date of the Withdrawn Partner in question and (y) with all persons who become Withdrawn Partners and whose Withdrawal Date is within one year after the Withdrawal Date of the Withdrawn Partner in question.

(j) If the aggregate reserves established by the General Partner as of the Settlement Date in making the foregoing calculations should prove, in the determination of the General Partner, to be excessive or inadequate, the General Partner may elect, but shall not be obligated, to pay the Withdrawn Partner or his estate such excess, or to charge the Withdrawn Partner or his estate such deficiency, as the case may be.

(k) Any amounts owed by the Withdrawn Partner to the Partnership at any time on or after the Settlement Date (*e.g.* , outstanding Partnership loans or advances to such Withdrawn Partner) shall be offset against any amounts payable or distributable by the Partnership to the Withdrawn Partner at any time on or after the Settlement Date or shall be paid by the Withdrawn Partner to the Partnership, in each case as determined by the General Partner. All cash amounts payable by a Withdrawn Partner to the Partnership under this Section 6.5 shall bear interest from the due date to the date of payment at a floating rate equal to the lesser of (x) the rate of interest publicly announced from time to time by The Chase Manhattan Bank in New York City, as its prime rate and (y) the maximum rate of interest permitted by applicable law. The "due date" of amounts payable by a Withdrawn Partner pursuant to Section 6.5(i) above shall be 120 days after a Withdrawn Partner's Settlement Date. The "due date" of amounts payable to or by a Withdrawn Partner in respect of Investments for which the Withdrawn Partner has retained a percentage interest in accordance with paragraph (f) above shall be 120 days after realization with respect to such Investment. The "due date" of any other amounts payable by a Withdrawn Partner shall be 60 days after the date such amounts are determined to be payable.

(l) At the time of the settlement of any Withdrawn Partner's interest in the Partnership pursuant to this Section 6.5, the General Partner may, to the fullest extent permitted by applicable law, impose any restrictions it deems appropriate on the assignment, pledge, encumbrance or other transfer by such Withdrawn Partner of any interest in any Investment retained by such Withdrawn Partner, any securities or other investments distributed in kind to such Withdrawn Partner or such Withdrawn Partner's right to any payment from the Partnership.

(m) If a Partner is required to Withdraw from the Partnership for Cause pursuant to Section 6.2(d), then his Interest shall be settled in accordance with paragraphs (a)-(q) of this Section 6.5; provided , however , that the General Partner may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement:

(i) In settling the Withdrawn Partner's interest in any Investment in which he has an interest as of his Settlement Date, the General Partner may elect to (A) determine the Unrealized Net Income (Loss) attributable to each such Investment as of the Settlement Date and allocate to the appropriate capital account of the Withdrawn Partner his allocable share of such Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Partner's capital account pursuant to clause (x) of paragraph (e) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his capital account or portion thereof attributable to each such Investment as of his Settlement Date without giving effect to the Unrealized Net Income (Loss) from such Investment as of his Settlement Date, which shall be forfeited by the Withdrawn Partner or (C) apply the provisions of paragraph (f) above, provided , that the maximum amount of Net Income (Loss) allocable to such Withdrawn Partner with respect to any Investment shall equal such Partner's percentage interest of the Unrealized Net Income, if any, attributable to such Investment as of the Settlement Date (the balance of such Net Income (Loss), if any, shall be allocated as determined by the General Partner). The Withdrawn Partner shall not have any continuing interest in any Investment to the extent an election is made pursuant to (A) or (B) above.

(ii) Any amounts payable by the Partnership to the Withdrawn Partner pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment in full of claims of all present or future creditors of the Partnership or any successor thereto arising out of matters occurring prior to or on or after the applicable date of payment or distribution.

(n) The payments to a Withdrawn Partner pursuant to this Section 6.5 may be conditioned on the compliance by such Withdrawn Partner with any lawful and reasonable (under the circumstances) restrictions against engaging or investing in a business competitive with that of the Partnership or any of its subsidiaries and Affiliates for a period not exceeding two years determined by the General Partner. Upon written notice to the General Partner, any Withdrawn Partner who is subject to noncompetition restrictions established by the General Partner pursuant to this paragraph (o) may elect to forfeit the principal amount payable in the final installment of his subordinated promissory note under paragraph (k) above, together with interest to be accrued on such installment after the date of forfeiture, in lieu of being bound by such restrictions; provided that if the principal amount of such final installment would exceed (U.S.)$10 million, such Withdrawn Partner shall be required to forfeit only (U.S.)$10 million thereof and shall still be entitled to receive any remaining balance of such final installment as and when due.

(o) In addition to the foregoing, the General Partner shall have the right to pay a Withdrawn Partner (other than the General Partner) a discretionary additional payment in an amount and based upon such circumstances and conditions as it determines to be relevant. The provisions of this Section 6.5 shall apply to any Investor Limited Partner relating to a Limited Partner and to any transferee of any interest of such Partner pursuant to Section 6.3 if such Partner Withdraws from the Partnership.

(p) (i) The Partnership will assist a Withdrawn Partner or his estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his estate.

(ii) The Partnership may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Partners or their estates or guardians, as referred to above. In such instances, the Partnership will obtain the prior approval of a Withdrawn Partner or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his estate or guardian) declines to incur such costs, the Partnership will provide such reasonable assistance as and when it can so as not to interfere with the Partnership's day-to-day operating, financial, tax and other related responsibilities to the Partnership and the Partners.

Section 6.6. [Intentionally omitted] .

Section 6.7. Termination of Partnership . The General Partner may dissolve the Partnership at any time on not less than 60 days' notice of the dissolution date given to the other Partners. Upon the dissolution of the Partnership, the Partners' respective interests in the Partnership shall be valued and settled in accordance with the procedures set forth in Section 6.5 which provide for allocations to the capital accounts of the Partners and distributions in accordance with the capital account balances of the Partners.

Section 6.8. Certain Tax Matters . (a) All items of income, gain, loss, deduction and credit of the Partnership shall be allocated among the Partners for U.S. Federal, state and local income tax purposes in the same manner as such items of income, gain, loss, deduction and credit shall be allocated among the Partners pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. To the extent U.S. Treasury Regulations promulgated pursuant to Subchapter K of the Code (including under Sections 704(b) and (c) of the Code) or other applicable law require allocations for tax purposes that differ from the foregoing allocations, the General Partner may determine the manner in which such tax allocations shall be made so as to comply more fully with such Treasury Regulations or other applicable law and, at the same time, preserve the economic relationships among the Partners as set forth in this Agreement. In the event there is a net decrease in partnership minimum gain or partner nonrecourse debt minimum gain (determined in accordance with the principles of Regulation Sections 1.704-2(d) and 1.704-2(i)) during any Partnership taxable year, each Partner shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to its respective share of such net decrease during such year, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(f).

(b) The General Partner shall cause to be prepared all U.S. Federal, state and local tax returns of the Partnership for each year for which such returns are required to be filed and, after approval of such returns by the General Partner, shall cause such returns to be timely filed. The General Partner shall determine the appropriate treatment of each item of income, gain, loss, deduction and credit of the Partnership and the accounting methods and conventions under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of any such item or any other method or procedure related to the preparation of such tax returns. The General Partner may cause the Partnership to make or refrain from making any and all elections permitted by such tax laws. Each Partner agrees that he shall not, unless he provides prior notice of such action to the Partnership, (i) treat, on his individual income tax returns, any item of income, gain, loss, deduction or credit relating to his interest in the Partnership in a manner inconsistent with the treatment of such item by the Partnership as reflected on the Form K-1 or other information statement furnished by the Partnership to such Partner for use in preparing his income tax returns or (ii) file any claim for refund relating to any such item based on, or which would result in, such inconsistent treatment. In respect of an income tax audit of any tax return of the Partnership, the filing of any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Partnership, or any administrative

or judicial proceedings arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, (A) the Tax Matters Partner (as defined below) shall be authorized to act for, and his decision shall be final and binding upon, the Partnership and all Partners except to the extent a Partner shall properly elect to be excluded from such proceeding pursuant to the Code, (B) all expenses incurred by the Tax Matters Partner in connection therewith (including, without limitation, attorneys', accountants' and other experts' fees and disbursements) shall be expenses of the Partnership and (C) no Partner shall have the right to (1) participate in the audit of any Partnership tax return, (2) file any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Partnership (unless he provides prior notice of such action to the Partnership as provided above), (3) participate in any administrative or judicial proceedings conducted by the Partnership or the Tax Matters Partner arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, or (4) appeal, challenge or otherwise protest any adverse findings in any such audit conducted by the Partnership or the Tax Matters Partner or with respect to any such amended return or claim for refund filed by the Partnership or the Tax Matters Partner or in any such administrative or judicial proceedings conducted by the Partnership or the Tax Matters Partner. The Partnership and each Partner hereby designate any Partner selected by the General Partner as the "tax matters partner" for purposes of Section 6231(a)(7) of the Code (the " *Tax Matters Partner* "). To the fullest extent permitted by applicable law, each Partner agrees to indemnify and hold harmless the Partnership and all other Partners from and against any and all liabilities, obligations, damages, deficiencies and expenses resulting from any breach or violation by such Partner of the provisions of this Section 6.8 and from all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees and disbursements, incident to any such breach or violation.

(c) Each individual Partner shall provide to the Partnership copies of each U.S. Federal, state and local income tax return of such Partner (including any amendment thereof) within 30 days after filing such return.

Section 6.9. Special Basis Adjustments . In connection with any assignment or transfer of a Partnership interest permitted by the terms of this Agreement, the General Partner may cause the Partnership, on behalf of the Partnership and at the time and in the manner provided in Code regulation Section 1.754-1(b), to make an election to adjust the basis of the Partnership's property in the manner provided in Sections 734(b) and 743(b) of the Code.

ARTICLE VII

DISSOLUTION

Section 7.1. Dissolution . The Partnership shall be dissolved and subsequently terminated:

(a) pursuant to Section 6.7;

(b) upon the expiration of the Term; or

(c) upon the occurrence of a Disabling Event with respect to a General Partner or any other event causing a dissolution of the Partnership under the Partnership Act; provided that the Partnership will not be dissolved or required to be wound up in connection with a Disabling Event with respect to a General Partner if: (i) at the time of the occurrence of such event there is at least one other general partner of the Partnership who is hereby authorized to, and elects to, carry on the business of the Partnership; or (ii) all remaining Partners consent to the continuation of the business of the Partnership

within 90 days following the occurrence of any such event, which consent will not be withheld by any Limited Partner if a Majority of the Remaining Partners agree in writing to so continue the business of the Partnership. A " Majority of Remaining Partners " means remaining Partners who, as of the date of such consent, have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the remaining Partners.

Section 7.2. Final Distribution . Within 120 calendar days after the effective date of dissolution of the Partnership, the assets of the Partnership shall be distributed in the following manner and order:

(i) to the payment of the expenses of the winding-up, liquidation and dissolution of the Partnership;

(ii) to pay all creditors of the Partnership, other than Partners, either by the payment thereof or the making of reasonable provision therefor;

(iii) to establish reserves, in amounts established by the General Partner or such liquidator, to meet other liabilities of the Partnership; and

(iv) to pay, in accordance with the terms agreed among them and otherwise on a *pro rata* basis, all creditors of the Partnership that are Partners, either by the payment thereof or the making of reasonable provision therefor.

The remaining assets of the Partnership shall be applied and distributed among the Partners in accordance with the procedures set forth in Section 6.5 which provide for allocations to the capital accounts of the Partners and distributions in accordance with the capital account balances of the Partners. For purposes of the application of this Section 7.2 and determining capital accounts on liquidation, all unrealized gains, losses and accrued income and deductions of the Partnership shall be treated as realized and recognized immediately before the date of distribution.

Section 7.3. No Obligation to Restore Capital Accounts . Except as provided in Sections 4.1 and 5.8(d) and as may otherwise be required by law, no Partner whose capital account balance is a negative or deficit amount (either during the existence of the Partnership or upon liquidation) shall have any obligation to return any amounts previously distributed to such Partner or to contribute cash or other assets to the Partnership to restore or make up the deficit in such Partner's impaired capital account.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Submission to Jurisdiction; Waiver of Jury Trial .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the General Partner may bring, or may cause the Partnership to bring, on behalf of the General Partner or the Partnership or on behalf of one or more Partners, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Partner (i) expressly consents to the application of paragraph (c) of this Section 8.1 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the General Partner as such Partner's agent for service of process in connection with any such action or proceeding and agrees that service of process upon any such agent, who shall promptly advise such Partner of any such service of process, shall be deemed in every respect effective service of process upon the Partner in any such action or proceeding.

(c)(i) EACH PARTNER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 8.1, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the forum(s) designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 8.1 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 8.1 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq .) (the " Delaware Arbitration Act "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 8.1, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 8.1. In that case, this Section 8.1 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 8.1 shall be construed to omit such invalid or unenforceable provision.

Section 8.2. Ownership and Use of the Firm Name . The Partnership acknowledges that Blackstone Financial Services Inc. ("BFS"), a Delaware corporation with a principal place of business at 345 Park Avenue, New York, New York 10154, (or its successors or assigns) is the sole and exclusive owner of the mark and name BLACKSTONE and that the ownership of, and the right to use, sell or otherwise dispose of, the firm name or any abbreviation or modification thereof which consists of or includes BLACKSTONE, shall belong exclusively to BFS, which company (or its predecessors, successors or assigns) has licensed the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that BFS owns the service mark BLACKSTONE for various services and that the Partnership is using the BLACKSTONE mark and name on a non-exclusive, non-sublicensable and

non-assignable basis in connection with its business and authorized activities with the permission of BFS. All services rendered by the Partnership under the BLACKSTONE mark and name will be rendered in a manner and with quality levels that are consistent with the high reputation heretofore developed for the BLACKSTONE mark by BFS and its affiliates and licensees. The Partnership understands that BFS may terminate its right to use BLACKSTONE at any time in BFS sole discretion by giving the Partnership written notice of termination. Promptly following any such termination, the Partnership will take all steps necessary to change its company name to one which does not include BLACKSTONE or any confusingly similar term and cease all use of BLACKSTONE or any term confusingly similar thereto as a service mark or otherwise.

Section 8.3. Written Consent . Any action required or permitted to be taken by a vote of Partners at a meeting may be taken without a meeting if a Majority in Interest of the Partners consent thereto in writing.

Section 8.4. Letter Agreements; Schedules . The General Partner may, or may cause the Partnership to, enter into separate letter agreements with certain Partners with respect to Profit Sharing Percentages or any other matter, in each case on terms and conditions not inconsistent with this Agreement; provided that, notwithstanding the foregoing, any terms of this Agreement may be made subject to any such letter agreements to the extent provided elsewhere herein. If required by applicable law, such separate letter agreements, or any provision thereof or information contained therein, shall be filed, or disclosed in a Certificate filed, in accordance with the Partnership Act. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances and Profit Sharing Percentages of the Partners and any other matters deemed appropriate by the General Partner. Such Schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

Section 8.5. Governing Law . This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, Canada, without regard to conflicts of law principles. In particular, the Partnership is formed pursuant to the Partnership Act, and the mutual rights, duties and liabilities of the General Partner and Limited Partners (including the Special Limited Partners) shall be as provided therein, except as herein otherwise expressly provided. If any provision of this Agreement shall be held to be invalid, such provision shall be given its meaning to the maximum extent permitted by law and the remainder of this Agreement shall not be affected thereby.

Section 8.6. Successors and Assigns; Third Party Beneficiaries . This Agreement shall be binding upon and shall, subject to the penultimate sentence of Section 6.3, inure to the benefit of the parties hereto, their respective heirs and personal representatives, and any successor to a trustee of a trust which is or becomes a party hereto; provided that no person claiming by, through or under a Partner (whether such Partner's heir, personal representative or otherwise), as distinct from such Partner itself, shall have any rights as, or in respect to, a Partner (including the right to approve or vote on any matter or to notice thereof) except the right to receive only those distributions expressly payable to such person pursuant to Article VI. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net Recontribution Amounts) of any transferee of all or any portion of such Partner's or Withdrawn Partner's interest in the Partnership, unless waived by the General Partner in accordance with applicable law. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standard set forth in Section 5.8(d)(ii)(A), to pursue such transferee, pursue payment (including any Net Recontribution Amounts) from the transferee with respect to any such obligations. Nothing in this Agreement is intended, nor shall anything herein be construed, to confer any rights, legal or equitable, on any person other than the Partners and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, the provisions of Sections 5.8(d)(i) and (iii) shall inure to the benefit of the limited partners or other investors in BREI, and such limited partners or investors shall have the right to enforce the provisions thereof to the extent the Partnership does not otherwise do so.

Section 8.7. Partner's Will . Each Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligations relating to the Partnership that is satisfactory to the General Partner and each such Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Partner's or Withdrawn Partner's Interest is transferred shall include a provision substantially similar to such provision and the trustee of such trust shall confirm annually to the Partnership, in writing, that such provision or its substantial equivalent remains in such trust. In the event any Partner or Withdrawn Partner fails to comply with the provisions of this Section 8.7 after the Partnership has notified such Partner or Withdrawn Partner of his failure to so comply and such failure to so comply is not cured within 30 days of such notice, the Partnership may withhold any and all distributions to such Partner until the time at which such party complies with the requirements of this Section 8.7.

Section 8.8. Confidentiality . By executing this Agreement, each Partner expressly agrees, at all times during the term of the Partnership and thereafter and whether or not at the time a Partner of the Partnership, to maintain the confidentiality of, and not to disclose to any person other than the Partnership, another Partner or a person designated by the Partnership, any information relating to the business, financial structure, financial position or financial results, clients or affairs of the Partnership that shall not be generally known to the public or the securities industry, except as otherwise required by law or by any regulatory or self-regulatory organization having jurisdiction; provided, however, that any corporate Partner may disclose any such information it is required by law, rule, regulation or custom to disclose.

Section 8.9. Notices . Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including telecopy or similar writing) and shall be given to any Partner at its address or telecopy number shown in the Partnership's books and records or, if given to the General Partner, at the address of the Partnership provided herein. Each such notice shall be effective (i) if given by telecopy, upon dispatch, (ii) if given by mail, when deposited in the mails (first class postage prepaid) addressed as aforesaid and (iii) if given by any other means, when delivered to the address of such Partner or the General Partner specified as aforesaid.

Section 8.10. Counterparts . This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument.

Section 8.11. Power of Attorney . Each Partner hereby irrevocably appoints each General Partner as such Partner's true and lawful representative and attorney-in-fact, acting alone, in such Partner's name, place and stead, to make, execute, sign and file all instruments, documents and certificates which, from time to time, may be required to set forth any amendment to this Agreement or may be required by this Agreement or by the laws of Canada, the Province of Alberta or any other jurisdiction in which the Partnership shall determine to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Partnership. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the subsequent Withdrawal from the Partnership of any Partner for any reason and shall not be affected by the disability or incapacity of such Partner.

Section 8.12. Cumulative Remedies . Rights and remedies under this Agreement are cumulative and do not preclude use of other rights and remedies available under applicable law.

Section 8.13. Legal Fees . Except as more specifically provided herein, in the event of a legal dispute (including litigation, arbitration or mediation) between any Partner or Withdrawn Partner and the Partnership, arising in connection with any party seeking to enforce Section 4.1 (d) or any other

provision of this Agreement relating to the Holdback, the Clawback Amount or the Recontribution Amount, the "losing" party to such dispute shall promptly reimburse the "victorious party" for all reasonable legal fees and expenses incurred in connection with such dispute (such determination to be made by the relevant adjudicator). Any amounts due under this Section 8.13 shall be paid within 30 days of the date upon which such amounts are due to be paid and such amounts remaining unpaid after such date shall accrue interest at the Default Rate.

Section 8.14. Entire Agreement . This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. Subject to Section 8.4, this Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written. In the event that it is impracticable to obtain the signature of any of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNER:

BREA INTERNATIONAL (CAYMAN) LTD.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Director

LIMITED PARTNERS:

BLACKSTONE HOLDINGS IV L.P.

By: Blackstone Holdings IV GP L.P.,
its General Partner

By: Blackstone Holdings IV GP Management L.L.C.,
its General Partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Authorized Person

All other Limited Partners now and hereafter admitted pursuant to powers of attorney now and hereafter granted to the General Partner

By: BREA INTERNATIONAL (CAYMAN) LTD.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Director

Exhibit 10.14

BLACKSTONE REAL ESTATE MANAGEMENT ASSOCIATES INTERNATIONAL II L.P.

SECOND AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP

Dated as of May 31, 2007

TABLE OF CONTENTS

BLACKSTONE REAL ESTATE MANAGEMENT ASSOCIATES INTERNATIONAL II L.P.

SECOND AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP of Blackstone Real Estate Management Associates International II L.P. (the " *Partnership* ") dated as of May 31, 2007, by and among BREA International (Cayman) II Ltd., a Cayman Islands exempted limited company (" *BREA (Cayman)* " or the " *General Partner* "), and the limited partners (including special limited partners) as provided on the signature pages hereto, as Limited Partners.

PRELIMINARY STATEMENT

The Partnership was formed under the laws of Alberta, Canada pursuant to a Certificate of Limited Partnership, dated as of July 11, 2005, which was filed with the Registrar of Corporations (Alberta).

The original partnership agreement of the Partnership was executed as of July 11, 2005 (the " *Existing Agreement* ").

The Existing Agreement was amended and restated in its entirety by the Amended and Restated Agreement of Limited Partnership, dated August 5, 2005, of the Partnership (as amended to date, the " *First Amended and Restated Agreement* ").

The parties hereto now wish to amend and restate the First Amended and Restated Agreement in its entirety as of the date hereof and as hereinafter set forth. Accordingly, the parties agree as follows:

ARTICLE I

DEFINITIONS

1.1. Definitions. Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

"*Agreement*" means this Amended and Restated Agreement of Limited Partnership, as it may be further amended, supplemented or otherwise modified from time to time.

"*Alternative Vehicle*" means any investment vehicle or structure formed pursuant to paragraph 2.7 of the BREP International II Partnership Agreement or any other "Alternative Vehicle" (as defined in any other BREP International II Agreements).

" *Applicable Collateral Percentage* " shall have the meaning with respect to any Firm Collateral and any Special Firm Collateral, in each case, as set forth in the books and records of the Partnership with respect thereto.

" *BCP* " means the collective reference to Blackstone Capital Partners L.P., a Delaware limited partnership, and any other investment vehicle established in accordance with the terms of Blackstone Capital Partners L.P.'s partnership agreement to invest in lieu of Blackstone Capital Partners L.P. on behalf of one or more of the partners thereof.

" *BCP II "* means the collective reference to Blackstone Capital Partners II Merchant Banking Fund L.P., a Delaware limited partnership formerly known as Blackstone Domestic Capital Partners II L.P., Blackstone Offshore Capital Partners II L.P., a Cayman Islands exempted limited partnership, and any other investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreements of either of such partnerships.

" *BCP III "* means the collective reference to Blackstone Capital Partners III Merchant Banking Fund L.P., a Delaware limited partnership, Blackstone Offshore Capital Partners III L.P., a Cayman Islands exempted limited partnership, and any other investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreements of either of such partnerships.

"BCP IV " is the collective reference to Blackstone Capital Partners IV L.P., a Delaware limited partnership, and any other investment vehicle or structure formed to invest in lieu thereof (in whole or in part).

" *BFREP International II "* means Blackstone Family Real Estate Partnership International II L.P., an Alberta, Canada limited partnership.

" *BRE Associates International II "* means BRE Associates International II L.P., an Alberta, Canada limited partnership.

" *BREA (Cayman) "* has the meaning set forth in the Preamble.

" *BREA International II "* means Blackstone Real Estate Associates International (Alberta) II L.P., an Alberta, Canada limited partnership.

" *BREA International (Delaware) II "* means Blackstone Real Estate Associates International II L.P., a Delaware limited partnership.

" *BRECA International II "* means Blackstone Real Estate Capital Associates International II L.P., an Alberta, Canada limited partnership, and any other partnership or other entity with terms substantially similar to the terms of that partnership and formed after the date hereof in connection with the indirect participation by one or more partners thereof who receive Carried Interest.

" *BRECA International II Partnership Agreement "* means the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Capital Associates International II L.P., dated as of the date hereof, as amended from time to time.

" *BREH International II "* means Blackstone Real Estate Holdings International II L.P. and Blackstone Real Estate Holdings International II-A L.P, each an Alberta, Canada limited partnership.

"BREP International II" means the collective reference to: (i) Blackstone Real Estate Partners International II L.P., a limited partnership formed or to be formed under the laws of the United Kingdom pursuant to the Limited Partnerships Act 1907 of the United Kingdom, (ii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above, and (iii) any investment vehicle formed to co-invest with the partnership referred to in clause (i) above using third party capital and that potentially pays Carried Interest Distributions (as such term is used in such partnership agreement).

" *BREP International II Agreement* " means the Amended and Restated Agreement of Limited Partnership, dated the date hereof or other date set forth therein, of the partnership referred to in clause (i) of the definition of "BREP International II" in this Article I, and any other BREP International II partnership agreement.

" *BREP International II Investment* " means the Partnership's indirect interest in a specific BREP International II investment pursuant to the BREP International II Agreement in its capacity as an indirect partner of BREP International II, but does not include any direct or indirect investment by the Partnership on a side-by-side basis in any BREP International II investment.

" *Carried Interest* " shall mean (i) distributions to the general partner of BREP International II (including BREA International (Delaware) II) pursuant to paragraphs 4.2.1(c) and (d), paragraphs 4.2.2(c) and (d) and paragraph 4.2.8 of the BREP International II Agreement (or similar provisions of investment vehicles formed after the date hereof) and (ii) any other carried interest payable pursuant to the BREP International II Agreement. In each case of (i) and (ii) above, except as determined by the Managing Member, the amount shall not be less any costs, fees and expenses of the Partnership with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership that are anticipated with respect thereto (in each case which the General Partner may allocate among all or any portion of the Investments as it determines in good faith is appropriate).

" *Carried Interest Give Back Percentage* " shall mean, for any Partner or Withdrawn Partner, subject to Section 5.8(e), the percentage determined by dividing (A) the aggregate amount of distributions received by such Partner or Withdrawn Partner from the Partnership, any Other Fund GPs or their affiliates, excluding Holdings, in respect of Carried Interest by (B) the aggregate amount of distributions made to all Partners, Withdrawn Partners or any other person by the Partnership, any Other Fund GP or their affiliates (in any capacity), excluding Holdings, in respect of Carried Interest. For purposes of determining any "Carried Interest Give Back Percentage" hereunder, all Trust Amounts contributed to the Trust by the Partnership, Other Fund GPs or their affiliates on behalf of a Partner or Withdrawn Partner (but not the Trust Income thereon) shall be deemed to have been initially distributed or paid to the Partners and Withdrawn Partners as Partners or partners of the Partnership, any of the Other Fund GPs or their affiliates.

" *Carried Interest Sharing Percentage* " means, with respect to each Investment, the percentage interest of a Partner in Carried Interest from such Investment set forth in the books and records of the Partnership.

" *Cause* " means the occurrence or existence of any of the following with respect to any Partner, as determined fairly, reasonably, on an informed basis and in good faith by the General Partner and subject to any written agreements between a Partner and the Partnership or an affiliate thereof: (i) (w) any breach by any Partner of any provision of any non-competition agreement, (x) any material breach of this Agreement or any rules or regulations applicable to such Partners that are established by the General Partner, (y) such Partner's deliberate failure to perform his or her duties to the Partner, or (z) such Partner's committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership in a material way determined by the General Partner; *provided* , that in the case of any of the foregoing clauses (w), (x), (y) and (z), the General Partner has given such Partner written notice (a " *Notice of Breach* ") within fifteen days after the General Partner becomes aware of such action and such Partner fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt of such Notice of Breach from the General Partner (or such longer period, not to exceed an additional fifteen days, as shall be reasonably required for such cure, provided that such Partner is diligently

pursuing such cure); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Partnership; or (iii) conviction (on the basis of a trial of by an accepted plea of guilty or *nolo contendre*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery) or a determination by a court of competent jurisdiction, by a regulatory body or by a self-regulatory body having authority with respect to securities laws, rules, or regulations of the applicable securities industry, that such Partner individually has violated any applicable securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Partner's ability to function as a Partner of the Partnership, taking into account the services required of such Partner and the nature of the Partnership's business, or (B) the business of the Partnership.

" *Charitable Organization* " means an organization described in Section 170(c) of the Code (without regard to Section 170(c)(2)(A) thereof).

" *Class A Interest* " has the meaning set forth in Section 5.8(a).

" *Class B Interest* " has the meaning set forth in Section 5.8(a).

" *Clawback Adjustment Amount* " has the meaning set forth in Section 5.8(e).

" *Clawback Amount* " shall mean the "Clawback Amount" and the "Interim Clawback Amount," both as set forth in Article One of the BREP International II Agreement, and any other clawback amount payable to the limited partners of BREP International II pursuant to any BREP International II Agreement, as applicable.

" *Clawback Provisions* " shall mean paragraphs 4.2.9 and 9.2.6 of the BREP International II Agreement and any other similar provisions in any other BREP International II Agreement existing heretofore or hereafter entered into.

" *Code* " means the United States Internal Revenue Code of 1986, as amended from time to time, or any successor statute. Any reference herein to a particular provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

" *Commitment* ", with respect to any Partner, has the meaning set forth in such Partner's Commitment Agreement or SMD Agreement

" *Commitment Agreement* " shall mean a commitment agreement by which a Partner has committed to fund certain amounts with respect to the BREP International II Investments and certain expenses of BREP International II.

" *Contingent* " means subject to repurchase rights and/or other requirements.

" *Deceased Partner* " shall mean any Partner or Withdrawn Partner who has died or who suffers from Incompetence. For purposes hereof, references to a Deceased Partner shall refer collectively to the Deceased Partner and the estate and heirs or legal representative of such Deceased Partner, as the case may be, that have received such Deceased Partner's interest in the Partnership.

" *Default Rate* " shall mean the lower of (i) the sum of (a) the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank as its prime rate and (b) 5%, or (ii) the highest rate of interest permitted under applicable law.

" *Defaulting Party* " has the meaning set forth in Section 5.8(d)(ii).

" *Deficiency Contribution* " has the meaning set forth in Section 5.8(d)(ii).

" *Disabling Event* " means (a) the withdrawal of a General Partner, other than in accordance with Section 6.2(b)(ii), (b) the incapacity of a General Partner, (c) a General Partner (i) makes an assignment for the benefit of its creditors, (ii) files a voluntary petition in bankruptcy, (iii) is adjudged a bankrupt or insolvent or has entered against it an order for relief in any bankruptcy or insolvency proceeding, (iv) files a petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, (v) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in proceeding described in clause (iv), or (v) seeks, consents to, or acquiesces in, the appointment of a trustee, receiver or liquidator of the General Partner or of all or substantially all of its properties, or (d) any other event that causes the General Partner to cease to be a general partner of the Partnership as provided in the Partnership Act.

" *Disposable Investment* " has the meaning set forth in Section 5.8(a).

" *Estate Planning Vehicle* " has the meaning set forth in Section 6.3.

" *Excess Holdback* " has the meaning set forth in Section 4.1(d)(v)(A).

" *Excess Holdback Percentage* " has the meaning set forth in Section 4.1(d)(v)(A).

" *Excess Tax-Related Amount* " has the meaning set forth in Section 5.8(e).

" *Excluded Item* " has the meaning set forth in Section 5.1(b).

"Existing Partner" shall mean any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

"Feeder Vehicle" shall mean any Limited Partner formed to serve as a collective investment vehicle for real estate-related investments in the United Kingdom which invests all or a portion of its investable resources in the Partnership.

" *Firm Collateral* " shall mean a Partner's or Withdrawn Partner's interest in one or more partnerships or limited liability companies, in either case affiliated with the Partnership, and certain other assets of such Partner or Withdrawn Partner, in each case that has been pledged or made available to the Trustee(s) to satisfy all or any portion of the Excess Holdback of such Partner or Withdrawn Partner as more fully described in the books and records of the Partnership; provided , that for all purposes hereof (and any other agreement (e.g. , the Trust Agreement) that incorporates the meaning of the term "Firm Collateral" by reference), references to "Firm Collateral" shall include "Special Firm Collateral", excluding references to "Firm Collateral" in Section 4.1(d)(v) and Section 4.1(d)(viii).

" *Firm Collateral Realization* " has the meaning set forth in Section 4.1(d)(v)(B) with respect to Firm Collateral, and Section 4.1(d)(viii)(B) with respect to Special Firm Collateral.

" *Fiscal Year* " shall mean a calendar year, or any other period chosen by the General Partner.

" *Fund GP* " means the Partnership and the Other Fund GPs.

" *GAAP* " means U.S. generally accepted accounting principles.

" *General Partner* " means BREA (Cayman) and any person admitted to the Partnership as an additional General Partner in accordance with the provisions of this Agreement, until such time as such person ceases to be a general partner of the Partnership as provided herein or in the Partnership Act."

" *Giveback* " shall mean an "Investment-Specific Giveback", as such term is defined in Article One of the BREP International II Agreement.

" *Giveback Amount* " shall mean an "Investment-Specific Giveback Amount", as such term is defined in Article One of the BREP International II Agreement.

" *Giveback Provisions* " shall mean paragraph 3.4.3 of the BREP International II Agreement and any other similar provisions in any other BREP International II partnership or similar agreement existing heretofore or hereafter entered into.

" *Holdback* " has the meaning set forth in Section 4.1(d)(i).

" *Holdback Percentage* " has the meaning set forth in Section 4.1(d)(i).

" *Holdback Vote* " has the meaning set forth in Section 4.1(d)(iv)(A).

" *Holdings* " means Blackstone Holdings V L.P., a Delaware limited partnership.

" *Incompetence* " means, with respect to any Partner, the determination by the General Partner in its sole discretion, after consultation with a qualified medical doctor, that such Partner is incompetent to manage his person or his property.

" *Inflation Index* " means (i) the GNP deflator, which is the fixed-weighted price index representing the average change in the United States gross national product as published in the Survey of Current Business by the National Income and Wealth Division of the Bureau of Economic Analysis of the U.S. Department of Commerce, or (ii) such other index measuring changes in economic prices in the United States as shall be selected by the General Partner.

" *Initial Holdback Percentages* " has the meaning set forth in Section 4.1(d)(i).

" *Interest* " means a limited partnership interest in the Partnership, including those which are held by a Retaining Withdrawn Partner. An Interest held by the Feeder Vehicle shall, and any other Interest may be, segregated into multiple Interests for all purposes hereof.

" *Investment* " means any investment (direct or indirect) of the Partnership designated by the General Partner from time to time as an investment in which the Partners' respective interests shall be established and accounted for on a basis separate from the Partnership's other businesses, activities and investments, including any BREP International II investments.

" *Investor Limited Partner* " means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

" *L/C* " has the meaning set forth in Section 4.1(d)(vi).

" *L/C Partner* " has the meaning set forth in Section 4.1(d)(vi).

" *Limited Partner* " means any person who is shown on the books and records of the Partnership as a Limited Partner of the Partnership, including any Special Limited Partner, any Investor Limited Partner and any Nonvoting Limited Partner.

" *Loss Amount* " has the meaning set forth in Section 5.8(e).

" *Loss Investment* " has the meaning set forth in Section 5.8(e).

" *Majority in Interest of the Partners* " on any date (a "vote date") means one or more persons who are Partners (including the General Partner and the Special Limited Partners but excluding Nonvoting Limited Partners) on the vote date and who, as of the last day of the most recent accounting period ending on or prior to the vote date (or as of such later date on or prior to the vote date selected by the General Partner as of which the Partners' capital account balances can be determined), have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the persons who are Partners (including the General Partner and the Special Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

" *Moody's* " means Moody's Investor Services, Inc., or any successor thereto.

" *Net Carried Interest Distribution* " has the meaning set forth in Section 5.8(e).

" *Net Carried Interest Distribution Recontribution Amount* " has the meaning set forth in Section 5.8(e).

" *Net Income (Loss)* " has the meaning set forth in Section 5.1(b).

" *Net Recontribution Amount* " has the meaning set forth in Section 5.8(d)(i)(A).

" *Non-Carried Interest* " means, with respect to each Investment, all amounts of distributions, other than Carried Interest, received by the Partnership with respect to such Investment, less any costs, fees and expenses of the Partnership with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership that are anticipated with respect thereto, in each case which the General Partner may allocate to all or any portion of the Investments as it may determine in good faith is appropriate.

" *Non-Carried Interest Sharing Percentage* " means, with respect to each Investment, the percentage interest of a Partner in Non-Carried Interest from such Investment set forth in the books and records of the Partnership.

" *Non-Contingent* " means generally not subject to repurchase rights or other requirements.

" *Nonvoting Limited Partner* " has the meaning set forth in Section 6.1(a).

" *Other Fund GPs* " means BRE Associates International II, BREA International II, BRECA International II, BREA International (Delaware) II and any other entity (other than the Partnership) through which any Partner, Withdrawn Partner or any other person directly receives any amounts of Carried Interest, and any successor thereto; provided , that this includes any other entity which has in its organizational documents a provision which indicates that it is a "Fund GP" or an "Other Fund GP"; provided further , that notwithstanding any of the foregoing, none of Holdings, any estate planning vehicle established for the benefit of family members of any Partner or any member or partner of any Other Fund GP shall be considered an "Other Fund GP" for purposes hereof; provided further , that the foregoing exclusion of such estate planning vehicles shall in no way limit such Partners' obligations pursuant to Section 5.8(d).

" *Partner* " means any person who is a partner of the Partnership, whether a General Partner or a Limited Partner in whatsoever Partner Category.

" *Partner Category* " shall mean the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

" *Partnership* " has the meaning set forth in the Preamble.

" *Partnership Act* " means the Partnership Act (Revised Statutes of Alberta, 2000, C.P.-3, *et seq.)* , as it may be amended from time to time, and any successor to such statute.

" *Profit Sharing Percentage* " means the "Carried Interest Sharing Percentage" and "Non-Carried Interest Sharing Percentage" of each Partner; provided that any references in this Agreement to Profit Sharing Percentages made (a) in connection with voting or voting rights or (b) capital contributions with respect to Investments (including Section 5.3(d)) shall mean the "Non-Carried Interest Sharing Percentage" of each Partner; provided further , that any reference in this Agreement to Profit Sharing Percentage that specifically refers to Net Income unrelated to BREP International II shall continue to refer to the amount of each Partner's percentage interest in a category of Net Income (Loss) established by the General Partner from time to time pursuant to Section 5.3.

" *Qualifying Fund* " means any other fund designated by the General Partner as a "Qualifying Fund".

" *Recontribution Amount* " has the meaning set forth in Section 5.8(d)(i).

" *Repurchase Period* " has the meaning set forth in Section 5.8(c).

" *Required Amounts* " means amounts equal to the Partnership's portion of the required capital contribution in respect of any BREP International II Investment to be made by the general partner of BREP International II (including, without limitation, BREA International (Delaware) II), as determined by the General Partner from time to time, which amounts shall be used by the Partnership to fund capital contributions to BREA International II and indirectly, through BREA International II, to the general partner of BREP International II (including, without limitation, BREA International (Delaware) II).

" *Required Rating* " has the meaning set forth in Section 4.1(d)(vi).

" *Retaining Withdrawn Partner* " shall mean a Withdrawn Partner who has retained a partnership interest in the Partnership, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Partner for all purposes hereof.

" *Securities* " means any debt or equity securities of an Issuer and its subsidiaries and other Controlled Entities constituting part of an Investment, including without limitation common and preferred stock, interests in limited partnerships and interests in limited liability companies (including warrants, rights, put and call options and other options relating thereto or any combination thereof), notes, bonds, debentures, trust receipts and other obligations, instruments or evidences of indebtedness, choses in action, other property or interests commonly regarded as securities, interests in real property, whether improved or unimproved, interests in oil and gas properties and mineral properties, short-term investments commonly regarded as money-market investments, bank deposits and interests in personal property of all kinds, whether tangible or intangible.

" *Settlement Date* " has the meaning set forth in Section 6.5(a).

" *SMD Agreements* " means the agreements between the Partnership and/or one or more of its affiliates and the Partners, pursuant to which each Partner undertakes certain obligations with respect to the Partnership and/or its affiliates. The SMD Agreements are hereby incorporated by reference as between the Partnership and the relevant Partner.

" *Special Firm Collateral* " means interests in a Qualifying Fund that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner's or Withdrawn Partner's Holdback (excluding any Excess Holdback) as more fully described in the books and records of the Partnership.

" *Special Firm Collateral Realization* " has the meaning set forth in Section 4.1(d)(viii)(B).

" *Special Limited Partner* " means any of the persons shown on the books and records of the Partnership as a Special Limited Partner and any person admitted to the Partnership as an additional Special Limited Partner in accordance with the provisions of this Agreement.

" *S&P* " means Standard & Poor's Ratings Group, and any successor thereto.

" *Subject Investment* " has the meaning set forth in Section 5.8(e).

" *Subject Partner* " has the meaning set forth in Section 4.1(d)(iv)(A).

" *Total Disability* " means the inability of a Limited Partner substantially to perform the obligations required of such Limited Partner (in its capacity as such or in any other capacity with respect to any affiliate of the Partnership) for a period of six consecutive months by reason of physical or mental illness or incapacity and whether arising out of sickness, accident or otherwise.

" *Trust Account* " has the meaning set forth in the Trust Agreement.

" *Trust Agreement* " means the Trust Agreement, dated as of August 5, 2005, as amended to date, among the Partners, the Trustee (s) and certain other persons that may receive distributions in respect of or relating to Carried Interest from time to time.

" *Trust Amount* " has the meaning set forth in the Trust Agreement.

" *Trust Income* " has the meaning set forth in the Trust Agreement.

" *Trustee(s)* " has the meaning set forth in the Trust Agreement.

" *Unadjusted Carried Interest Distributions* " has the meaning set forth in Section 5.8(e).

" *Unallocated Percentage* " has the meaning set forth in Section 5.3(b).

" *Unrealized Net Income (Loss)* " attributable to any BREP International II Investment as of any date means the Net Income (Loss) that would be realized by the Partnership with respect to such BREP International II Investment if BREP International II's entire portfolio of investments were sold on such date for cash in an amount equal to their aggregate value on such date (determined in accordance with Section 5.1(e)) and all distributions payable by BREP International II to the Partnership (indirectly) pursuant to the BREP International II Agreement with respect to such BREP International II Investment were made on such date. "Unrealized Net Income (Loss)" attributable to any other Investment as of any date means the Net Income (Loss) that would be realized by the Partnership with respect to such Investment if such Investment were sold on such date for cash in an amount equal to its value on such date (determined in accordance with Section 5.1(e)).

" *Withdraw* " or " *Withdrawal* " with respect to a Partner means a Partner ceasing to be a partner of the Partnership (except as a Retaining Withdrawn Partner) for any reason (including death, disability, removal, resignation or retirement, whether such is voluntary or involuntary), unless the context shall limit the type of withdrawal to a specific reason and subject to any written agreements between a Partner and the Partnership or any affiliate thereof, and "Withdrawn" with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

" *Withdrawal Date* " has the meaning set forth in Section 6.5(a).

" *Withdrawn Partner* " has the meaning set forth in Section 6.5(a).

1.2. Terms Generally . The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The term " *person* " includes individuals, partnerships (including limited liability partnerships), companies (including limited liability companies), joint ventures, corporations, trusts, governments (or agencies or political subdivisions thereof) and other associations and entities. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

GENERAL PROVISIONS

2.1. General Partner and Limited Partners . The Partners may be General Partners or Limited Partners. The General Partner is BREA (Cayman). The Limited Partners shall be as shown on the books and records of the Partnership.

2.2. Formation; Name . The Partnership was formed upon the filing and recording of a Certificate with the Registrar of Corporations on July 12, 2005 (L.P. No. 11813029) and is hereby continued as a limited partnership pursuant to the Partnership Act and shall conduct its activities under the name of Blackstone Real Estate Management Associates International II L.P.

2.3. Term . The term of the Partnership shall continue until December 31, 2055, unless earlier dissolved and terminated in accordance with this Agreement.

2.4. Purpose; Powers . (a) The purpose and character of the business of the Partnership shall be, directly or indirectly through subsidiaries or affiliates, (i) to serve as a limited partner of BREA International II or of any Other Fund GP and perform the obligations of a limited partner specified in such entities' respective partnership or similar agreements, (ii) to serve as general partner or limited partner of other partnerships, a member of limited liability companies, and hold interests in companies, corporations and other entities, (iii) to carry on such other businesses for profit, perform such other services and make such other investments for profit as are deemed desirable by the General Partner, subject to the Partner vote requirements set forth in Section 3.3, (iv) any other lawful purpose, and (v) to do all things necessary and incidental thereto.

(b) In furtherance of its purpose, the Partnership shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, as principal or agent, including the following:

(i) to buy, sell and otherwise acquire investments, whether such investments are readily marketable or not;

(ii) to invest and reinvest the cash assets of the Partnership in money-market or other short-term investments;

(iii) to hold, receive, mortgage, pledge, lease, transfer, exchange or otherwise dispose of, grant options with respect to, and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to, all property held or owned by the Partnership;

(iv) to borrow or raise money from time to time and to issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and non-negotiable instruments and evidences of indebtedness, to secure payment of the principal of any such indebtedness and the interest thereon by mortgage, pledge, conveyance or assignment in trust of, or the granting of a security interest in, the whole or any part of the property of the Partnership, whether at the time owned or thereafter acquired, to guarantee the obligations of others and to buy, sell, pledge or otherwise dispose of any such instrument or evidence of indebtedness;

(v) to lend any of its property or funds, either with or without security, at any legal rate of interest or without interest;

(vi) to have and maintain one or more offices within or without the Province of Alberta, Canada, and in connection therewith, to rent or acquire office space, engage personnel and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(vii) to open, maintain and close accounts, including margin accounts, with brokers;

(viii) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys;

(ix) to engage accountants, auditors, custodians, investment advisers, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate them as may be necessary or advisable;

(x) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, to form or cause to be formed and to participate in partnerships and joint ventures, whether foreign or domestic, and to form or cause to be formed and be a member or manager or both of one or more limited liability companies;

(xi) to enter into, make and perform all contracts, agreements and other undertakings as may be necessary, convenient or advisable or incident to carrying out its purposes;

(xii) to sue and be sued, to prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment to claims against the Partnership, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xiii) to distribute, subject to the terms of this Agreement, at any time and from time to time to Partners cash or investments or other property of the Partnership, or any combination thereof; and

(xiv) to take such other actions necessary or incidental thereto and to engage in such other businesses as may be permitted under applicable law.

2.5. Place of Business . The Partnership shall maintain an office and principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., or such other place or places as may from time to time be designated by the General Partner.

2.6. Feeder Vehicle . (a) The Interest of the Feeder Vehicle shall be treated as Interests held by more than one Limited Partner for purposes of determining the appropriate treatment of the Feeder Vehicle in connection herewith, in light of the multiple interest holders in the Feeder Vehicle. This shall include (i) reflecting on the books and records of the Partnership a separate Interest held by the Feeder Vehicle with respect to each interest holder therein and (ii) applying the provisions of Article IV as though the interest holder were a direct Limited Partner in the Partnership.

(b) If any interest holder of the Feeder Vehicle fails to make a Capital Contribution to the Feeder Vehicle, the Feeder Vehicle may be treated as a Defaulting Limited Partner in accordance with the provisions hereof, but solely with respect to such interest holder's indirect interest in the Partnership.

(c) In the case of any vote of Limited Partners under this Agreement or any law, the Feeder Vehicle shall vote its Interest in proportion to the votes on such matter of the interest holders thereof, based on their pro rata interest therein, that are unaffiliated with the General Partner.

(d) The General Partner may make any adjustments to the Interest of the Feeder Vehicle to accomplish the overall objectives of this Section 2.6; provided , that such adjustments shall in no way have a materially adverse effect on the Interests of any other Partner.

ARTICLE III

MANAGEMENT

3.1. General Partner . BREA (Cayman) shall be the " *General Partner* ." A General Partner may not be removed without its consent. The management of the business and affairs of the Partnership shall be vested in the General Partner as provided in Section 3.4.

3.2. Limited Partners . The Limited Partners shall be the parties set forth on the books and records of the Partnership as Limited Partners as of the date hereof.

3.3. Partner Voting, etc.

(a) Meetings of the Partners may be held only when called by the General Partner.

(b) Except as may be expressly required or permitted by the Partnership Act, Limited Partners as such shall have no right to, and shall not, take part in the control of the Partnership's business or act for or bind the Partnership, and shall have only the rights and powers of a limited partner as provided in both the Partnership Act and this Agreement.

(c) To the extent a Partner is entitled to vote with respect to any matter relating to the Partnership, such Partner shall not be obligated to abstain from voting on any matter (or vote in any particular manner) because of any interest (or conflict of interest) of such Partner (or any affiliate thereof) in such matter.

3.4. Management . (a) The full management, control and operation of the Partnership and the formulation and execution of business and investment policy shall be vested in the General Partner, and the General Partner shall have full control over the business and affairs of the Partnership. The General Partner shall, in the General Partner's discretion, exercise all powers necessary and convenient for the purposes of the Partnership, including, without limitation, those enumerated in Section 2.4, on behalf and in the name of the Partnership. If there shall be more than one General Partner, any action by the General Partners shall require the unanimous approval of the General Partners. All decisions and determinations (howsoever described herein) to be made by the General Partner pursuant to this Agreement shall be made in the General Partner's discretion, subject only to the express terms and conditions of this Agreement.

(b) All outside business or investment activities of the Partners (including outside directorships or trusteeships) shall be subject to such rules and regulations as are established by the General Partner from time to time.

3.5. Responsibilities of Partners . The General Partner may from time to time establish such rules and regulations applicable to Partners the General Partner deem appropriate.

3.6. [Intentionally Omitted].

3.7. Exculpation and Indemnification . (a) Liability to Partners . Notwithstanding any other provision of this Agreement, whether express or implied, to the fullest extent permitted by law, no Partner nor any of such Partner's representatives, agents or advisors nor any partner, member, officer, employee, representative, agent or advisor of the Partnership or any of its affiliates (individually, a " *Covered Person* " and collectively, the " *Covered Persons* ") shall be liable to the Partnership or any other Partner for any act or omission (in relation to the Partnership, this Agreement, any related document or

any transaction or investment contemplated hereby or thereby) taken or omitted by a Covered Person (other than any act or omission constituting Cause), unless there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Partnership and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful. Each Covered Person shall be entitled to rely in good faith on the advice of legal counsel to the Partnership, accountants and other experts or professional advisors, and no action taken by any Covered Person in reliance on such advice shall in any event subject such person to any liability to any Partner or the Partnership. To the extent that, at law or in equity, a Partner has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or to another Partner, to the fullest extent permitted by law, such Partner acting under this Agreement shall not be liable to the Partnership or to any such other Partner for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of a Partner otherwise existing at law or in equity, are agreed by the Partners, to the fullest extent permitted by law, to modify to that extent such other duties and liabilities of such Partner.

(b) Indemnification . To the fullest extent permitted by law, the Partnership shall indemnify and hold harmless (but only to the extent of the Partnership's assets (including, without limitation, the remaining Commitments of the Partners) each Covered Person from and against any and all claims, damages, losses, costs, expenses and liabilities (including, without limitation, amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim), joint and several, of any nature whatsoever, known or unknown, liquidated or unliquidated (collectively, " *Losses* "), arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of such Covered Person's participation in the affairs of the Partnership or which relate to or arise out of or in connection with the Partnership, its property, its business or affairs (other than claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, arising out of any act or omission of such Covered Person constituting Cause); provided , that a Covered Person shall not be entitled to indemnification under this Section with respect to any claim, issue or matter if there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interest of the Partnership and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful; provided further , that if such Covered Person is a Partner or a Withdrawn Partner, such Covered Person shall bear its share of such Losses in accordance with such Covered Person's Profit Sharing Percentage in the Partnership as of the time of the actions or omissions that gave rise to such Losses. To the fullest extent permitted by law, expenses (including legal fees) incurred by a Covered Person (including, without limitation, the General Partner) in defending any claim, demand, action, suit or proceeding may, with the approval of the General Partner, from time to time, be advanced by the Partnership prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Partnership of a written undertaking by or on behalf of the Covered Person to repay such amount to the extent that it shall be subsequently determined that the Covered Person is not entitled to be indemnified as authorized in this Section, and the Partnership and its affiliates shall have a continuing right of offset against such Covered Person's interests/investments in the Partnership and such affiliates and shall have the right to withhold amounts otherwise distributable to such Covered Person to satisfy such repayment obligation. If a Partner institutes litigation against a Covered Person which gives rise to an indemnity obligation hereunder, such Partner shall be responsible, up to the amount of such Partner's Interests and remaining Commitment, for such Partner's pro rata share of the Partnership's expenses related to such indemnity obligation, as

determined by the General Partner. The Partnership may purchase insurance, to the extent available at reasonable cost, to cover losses, claims, damages or liabilities covered by the foregoing indemnification provisions. Partners will not be personally obligated with respect to indemnification pursuant to this Section.

3.8. Tax Representation . Each Limited Partner certifies that (A) if the Limited Partner is a United States person (as defined in the Code) (x) (i) the Limited Partner's name, social security number (or, if applicable, employer identification number) and address provided to the Partnership and its affiliates pursuant to an IRS Form W-9, Payer's Request for Taxpayer Identification Number Certification (" *W-9* ") or otherwise are correct and (ii) the Limited Partner will complete and return a W-9, and (y) (i) the Limited Partner is a United States person (as defined in the Code) and (ii) the Limited Partner will notify the Partnership within 60 days of a change to foreign (non-United States) status or (B) if the Limited Partner is not a United States person (as defined in the Code) (x) (i) the information on the completed IRS Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding (" *W-8BEN* ") or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Partnership, or Certain U.S. Branches for United States Tax Withholding (" *W-8IMY* "), or otherwise is correct and (ii) the Limited Partner will complete and return the applicable IRS form, including but not limited to a W-8BEN or W-8IMY, and (y) (i) the Limited Partner is not a United States person (as defined in the Code) and (ii) the Limited Partner will notify the Partnership within 60 days of any change of such status. The Limited Partner agrees to properly execute and provide to the Partnership in a timely manner any tax documentation that may be reasonably required by the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

4.1. Capital Contributions by Partners . (a) Except as agreed by the Managing Member and a Regular Member, such Limited Partner shall not be required to make capital contributions to the Partnership at such times and in such amounts as are required to fund the Required Amounts, as determined by the General Partner from time to time; provided, that (i) such additional capital contributions may be made pro rata among the Limited Partners based upon the allocation of the Carried Interest in each BREP International II Investment by the General Partner and (ii) additional capital contributions in excess of Required Amounts which are to be used for ongoing business operations (as distinct from financing legal or other specific liabilities of the Partnership) (including those specifically set forth in Sections 4.1(d) and 5.8 (d)); provided further, that the General Partner may excuse any Nonvoting Limited Partner from making capital contributions to fund Required Amounts as provided in the books and records of the Partnership. Limited Partners (other than Special Limited Partners) shall not be required to make additional capital contributions to the Partnership except (i) as a condition of an increase in such Limited Partner's Profit Sharing Percentage, or (ii) as specifically set forth in this Agreement; provided, however, that the General Partner and any Limited Partner (other than a Special Limited Partner) may agree from time to time that such Limited Partner shall make an additional capital contribution to the Partnership; provided further, that each Investor Limited Partner shall maintain its capital account at a level equal to the product of (i) its Profit Sharing Percentage from time to time and (ii) the total capital of the Partnership; provided further, that the foregoing in no way limits any other provision of this Agreement (including without limitation, Sections 5.8(d) and (e) and 6.5) or of any written agreement between a Partner and the Partnership or an affiliate thereof which requires the making of any such additional capital contribution. If required by applicable law, the maximum amount of capital a Limited Partner is obligated to contribute to the Partnership shall be disclosed in a Certificate filed in accordance with the Partnership Act; and provided further, that the General Partner shall be required to make a maximum capital contribution of (U.S.)$10. Notwithstanding the foregoing, the unfunded amount

of any Limited Partner's commitment to make capital contributions to the Partnership (such Limited Partner's "Unfunded Commitment") may be determined and redetermined by the General Partner from time to time (including, without limitation, any redetermination that results in a reduction in such Limited Partner's Unfunded Commitment, which reduction may be retroactive); provided, that each Limited Partner agrees to make capital contributions in the full amount of such Limited Partner's Unfunded Commitment at any time, on condition that the General Partner does not thereafter make a redetermination that results in a reduction in such Limited Partner's Unfunded Commitment and subject to all other terms and conditions set forth herein and/or in any other agreement relating thereto; and provided further, that, following an initial determination of a Limited Partner's commitment such Limited Partner's Unfunded Commitment shall not be increased without the consent of such Limited Partner. Any provision of this Agreement to the contrary notwithstanding, no capital contribution shall become due and payable or be required to be made by any Partner, unless and until it shall be called by the General Partner for the purposes set forth herein or in the Commitment Agreement or SMD Agreement of such Partner.

(b) Each capital contribution by a Partner shall be credited to the appropriate capital account of such Partner in accordance with Section 5.2.

(c) The General Partner may elect on a case by case basis to (i) cause the Partnership to loan any Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partner that is an executive officer of The Blackstone Group) the amount of any capital contribution required to be made by such Partner or (ii) permit any Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1) to make a required capital contribution to the Partnership in installments in kind, in each case on terms (including valuation of contributed property in the case of in kind contributions permitted by the General Partner) determined by the General Partner.

(d) (i) The Partners and the Withdrawn Partners have entered into the Trust Agreement, pursuant to which certain amounts of the distributions relating to the Carried Interest will be paid to the Trustee(s) for deposit in the Trust Account (such amounts to be paid to the Trustee(s) for deposit in the Trust Account constituting a " *Holdback* "). The General Partner shall determine, as set forth below, the percentage of each distribution of Carried Interest that shall be withheld for each Partner Category (such withheld percentage constituting such Partner Category's " *Holdback Percentage* "). The applicable Holdback Percentages initially shall be 15% for Existing Partners (other than the General Partner), 0% for the Holdings, 21% for Retaining Withdrawn Partners and 24% for Deceased Partners (the " *Initial Holdback Percentages* ").

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his Partner Category (except as provided in clause (iv) below). The General Partner may only reduce the Holdback Percentages among the Partner Categories on a proportionate basis; provided, that the Holdback Percentage applicable to Holdings may not be increased or decreased without its consent. For example, if the Holdback Percentage for Existing Partners is decreased to 12.5%, the Holdback Percentage for Retaining Withdrawn Partners and Deceased Partners shall be reduced to 17.5% and 20%, respectively. Any reduction in the Holdback Percentage for any Partner shall apply only to distributions relating to Carried Interest made after the date of such reduction.

(iii) The Holdback Percentage may not be increased for any individual Partner as compared to the other Partners in his Partner Category (except as provided in clause (iv) below). The General Partner may not increase the Retaining Withdrawn Partners' Holdback Percentage beyond 21% unless the General Partner concurrently increases the Existing Partners' Holdback Percentage to 21%. The General Partner may not increase the Deceased Partners' Holdback

Percentage beyond 24% unless the General Partner increases the Holdback Percentage for both Existing Partners and Retaining Withdrawn Partners to 24%. The General Partner may not increase the Holdback Percentage of any Partner Category beyond 24% unless such increase applies equally to all Partner Categories. Any increase in the Holdback Percentage for any Partner shall apply only to distributions relating to Carried Interest made after the date of such increase. The foregoing shall in no way prevent the General Partner from proportionately increasing the Holdback Percentage of any Partner Category (following a reduction of the Holdback Percentages below the Initial Holdback Percentages), if the resulting Holdback Percentages are consistent with the above. For example, if the General Partner reduces the Holdback Percentages for Existing Partners, Retaining Withdrawn Partners and Deceased Partners to 12.5%, 17.5% and 20%, respectively, the General Partner shall have the right to subsequently increase the Holdback Percentages to the Initial Holdback Percentages.

(iv) (A) Notwithstanding anything contained herein to the contrary, the Partnership may increase or decrease the Holdback Percentage for any Partner in any Partner Category (in such capacity, the " *Subject Partner* ") pursuant to a majority vote of the Special Limited Partners and of the special limited partners of BRE Associates (a " *Holdback Vote* "); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to the General Partner shall not be increased or decreased without its prior written consent; provided further , that a Subject Partner's Holdback Percentage shall not be (I) increased prior to such time as such Subject Partner (x) is notified by the Partnership of the decision to increase such Subject Partner's Holdback Percentage and (y) has, if requested by such Subject Partner, been given 30 days to gather and provide information to the Partnership for consideration before a second Holdback Vote (requested by the Subject Partner) and (II) decreased unless such decrease occurs subsequent to an increase in a Subject Partner's Holdback Percentage pursuant to a Holdback Vote under this clause (iv); provided further , that such decrease shall not exceed an amount such that such Subject Partner's Holdback Percentage is less than the prevailing Holdback Percentage for such Subject Partner's Partner Category; provided further , that a Partner or a special limited partner of BRE Associates shall not vote to increase a Subject Partner's Holdback Percentage unless such voting partner determines, in his good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of his successors or assigns (including his estate or heirs) who at the time of such vote holds the Partnership interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Partnership meeting, which shall also include the special limited partners of BRE Associates. Each Special Limited Partner or special limited partner of BRE Associates shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Special Limited Partner's interest in the Partnership or special limited partner of BRE Associates' interest in BRE Associates, as the case may be. Such vote may be cast by any such Special Limited Partner or special limited partner in person or by proxy.

(C) If the result of the second Holdback Vote is an increase in a Subject Partner's Holdback Percentage, such Subject Partner may submit the decision to an arbitrator, the identity of which is mutually agreed upon by both the Subject Partner and the Partnership; provided , that if the Partnership and the Subject Partner cannot agree upon a mutually satisfactory arbitrator

within 10 days of the second Holdback Vote, each of the Partnership and the Subject Partner shall request its candidate for arbitrator to select a third arbitrator satisfactory to such candidates; provided further , that if such candidates fail to agree upon a mutually satisfactory arbitrator within 30 days of such request, the then sitting President of the American Arbitration Association shall unilaterally select the arbitrator. Each Subject Partner that submits the decision of the Partnership pursuant to the second Holdback Vote to arbitration and the Partnership shall estimate their reasonably projected out-of-pocket expenses relating thereto and each such party shall, to the satisfaction of the arbitrator and prior to any determination being made by the arbitrator, pay the total of such estimated expenses (i.e., both the Subject Partner's and the Partnership's expenses) into an escrow account to be controlled by Simpson Thacher & Bartlett LLP, as escrow agent (or such other comparable law firm as the Partnership and Subject Partner shall agree). The arbitrator shall direct the escrow agent to pay out of such escrow account all expenses associated with such arbitration (including costs leading thereto) and to return to the "victorious" party the entire amount of funds such party paid into such escrow account. If the amount contributed to the escrow account by the losing party is insufficient to cover the expenses of such arbitration, such "losing" party shall then provide any additional funds necessary to cover such costs to such "victorious" party. For purposes hereof, the "victorious" party shall be the Partnership, if the Holdback Percentage ultimately determined by the arbitrator is closer to the percentage determined in the second Holdback Vote than it is to the prevailing Holdback Percentage for the Subject Partner's Partner Category; otherwise, the Subject Partner shall be the "victorious" party. The party that is not the "victorious" party shall be the "losing" party.

(D) In the event of a decrease in a Subject Partner's Holdback Percentage (1) pursuant to a Holdback Vote under this clause (iv) or (2) pursuant to a decision of an arbitrator under paragraph (C) of this clause (iv), the Partnership shall release and distribute to such Subject Partner any Trust Amounts (and the Trust Income thereon (except as expressly provided herein with respect to using Trust Income as Firm Collateral)) which exceed the required Holdback of such Subject Partner (in accordance with such Subject Partner's reduced Holdback Percentage) as though such reduced Holdback Percentage had applied since the increase of the Subject Partner's Holdback Percentage pursuant to a previous Holdback Vote under this clause (iv).

(v) (A) If a Partner's Holdback Percentage exceeds 15% (such percentage in excess of 15% constituting the " *Excess Holdback Percentage* "), such Partner may satisfy the portion of his Holdback obligation in respect of his Excess Holdback Percentage (such portion constituting such Partner's " *Excess Holdback* "), and such Partner (or a Withdrawn Partner with respect to amounts contributed to the Trust Account while he was a Partner), to the extent his

Excess Holdback obligation has previously been satisfied in cash, may obtain the release of the Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Partner or Withdrawn Partner) satisfying such Partner's or Withdrawn Partner's Excess Holdback obligation, by pledging or otherwise making available to the Partnership, on a first priority basis (except as provided below), all or any portion of his Firm Collateral in satisfaction of his Excess Holdback obligation. Any Partner seeking to satisfy all or any portion of the Excess Holdback utilizing Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the General Partner) to perfect a first priority security interest in, and otherwise assure the ability of the Partnership to realize on (if required), such Firm Collateral; provided , that in the case of entities listed on Partnership's books and records, in which Partners/members are permitted to pledge their interests therein to finance all or a portion of their capital contributions thereof (" *Pledgable Blackstone Interests* "), to the extent a first priority security interest is unavailable because of an existing lien on such Firm Collateral, the Partner or Withdrawn Partner seeking to utilize such Firm Collateral shall grant the Partnership a second priority security interest therein in the manner provided above; provided further , that (x) to the extent that neither a first priority nor a second priority security interest in Pledgable Blackstone Interests is available, or (y) if the General Partner otherwise determines in its good faith judgment that a security interest in Firm Collateral (and the corresponding documents and actions) are not necessary or appropriate, the Partner or Withdrawn Partner shall (in the case of either clause (x) or (y) above) irrevocably instruct in writing the relevant partnership, limited liability company or other entity listed on Exhibit A to remit any and all net proceeds resulting from a Firm Collateral Realization on such Firm Collateral to the Trustee(s) as more fully provided in clause (B) below. The Partnership shall, at the request of any Partner or Withdrawn Partner, assist such Partner or Withdrawn Partner in taking such action necessary to enable such Partner or Withdrawn Partner to use Firm Collateral as provided hereunder.

(B) If upon a sale or other realization of all or any portion of any Firm Collateral (a " *Firm Collateral Realization* "), the remaining Firm Collateral is insufficient to cover any Partner's or Withdrawn Partner's Excess Holdback requirement, then up to 100% of the net proceeds otherwise distributable to such Partner or Withdrawn Partner from such Firm Collateral Realization (including distributions subject to the repayment of financing sources as in the case of Pledgable Blackstone Interests) shall be paid into the Trust Account to fully satisfy such Excess Holdback requirement (allocated to such Partner or Withdrawn Partner) and shall be deemed to be Trust Amounts for purposes hereunder. Any net proceeds from such Firm Collateral Realization in excess of the amount necessary to satisfy such Excess Holdback requirement shall be distributed to such Partner or Withdrawn Partner.

(C) Upon any valuation or revaluation of Firm Collateral that results in a decreased valuation of such Firm Collateral so that such Firm Collateral is insufficient to cover any Partner's or Withdrawn Partner's Excess Holdback requirement (including upon a Firm Collateral Realization, if net proceeds therefrom and the remaining Firm Collateral are insufficient to cover any Partner's or Withdrawn Partner's Excess Holdback requirement), the Partnership shall provide notice of the foregoing to such

Partner or Withdrawn Partner and such Partner or Withdrawn Partner shall, within 30 days of receiving such notice, contribute cash (or additional Firm Collateral) to the Trust Account in an amount necessary to satisfy his Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to a default under this clause (C); provided further , that for purposes of applying Section 5.8(d)(ii) to a default under this clause (C): (1) the term "Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (2) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(vi) Any Partner or Withdrawn Partner may (i) obtain the release of any Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Partner or Withdrawn Partner) or Firm Collateral, in each case, held in the Trust Account for the benefit of such Partner or Withdrawn Partner or (ii) require the Partnership to distribute all or any portion of amounts otherwise required to be placed in the Trust Account (whether cash or Firm Collateral), by obtaining a letter of credit for the benefit of the Trustee(s) (an " *L/C* ") in such amounts. Any Partner or Withdrawn Partner choosing to furnish an L/C to the Trustee(s) (in such capacity, an " *L/C Partner* ") shall deliver to the Trustee(s) an unconditional and irrevocable L/C from a commercial bank whose (A) short-term deposits are rated at least A-1 by S&P and P-1 by Moody's (if the L/C is for a term of 1 year or less), or (B) long-term deposits are rated at least A+ by S&P or A1 by Moody's (if the L/C is for a term of 1 year or more) (each a " *Required Rating* "). If the relevant rating of the commercial bank issuing such L/C drops below the relevant Required Rating, the L/C Partner shall supply to the Trustee(s), within 30 days of such occurrence, a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, in lieu of the insufficient L/C. In addition, if the L/C has a term expiring on a date earlier than the latest possible termination date of BREP International II, the Trustee(s) shall be permitted to drawdown on such L/C if the L/C Partner fails to provide a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, at least 30 days prior to the stated expiration date of such existing L/C. The Trustee(s) shall notify an L/C Partner 10 days prior to drawing on any L/C. The Trustee(s) may (as directed by the Partnership in the case of clause (1) below) draw down on an L/C only if (1) such a drawdown is necessary to satisfy an L/C Partner's obligation relating to the Partnership's obligations under the Clawback Provisions or (2) an L/C Partner has not provided a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating (or the requisite amount of cash and/or Firm Collateral (to the extent permitted hereunder)), at least 30 days prior to the stated expiration of an existing L/C in accordance with this clause (vi). The Trustee(s), as directed by the Partnership, shall return to any L/C Partner his L/C upon (1) termination of the Trust Account and satisfaction of the Partnership's obligations, if any, in respect of the Clawback Provisions, (2) an L/C Partner satisfying his entire Holdback obligation in cash and Firm Collateral (to the extent permitted hereunder), or (3) the release, by the Trustee(s), as directed by the Partnership, of all amounts in the Trust Account to Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the Partnership, release a portion of the amounts in the Trust Account to the Partners or Withdrawn

Partners in the Partner Category of such L/C Partner, an L/C Partner's L/C may be reduced by an amount corresponding to such portion satisfied in cash and/or Firm Collateral (to the extent permitted hereunder) or such portion released by the Trustee(s), as directed by the Partnership; provided , that in no way shall the general release of any Trust Income cause an L/C Partner to be permitted to reduce the amount of an L/C by any amount.

(vi) (A) Any in-kind distributions by the Partnership relating to Carried Interest shall be made in accordance herewith as though such distributions consisted of cash. The Partnership may direct the Trustee(s) to dispose of any in-kind distributions held in the Trust Account at any time. The net proceeds therefrom shall be treated as though initially contributed to the Trust Account.

(B) In lieu of the foregoing, any Existing Partner may pledge with respect to any in-kind distribution the Special Firm Collateral referred to in asset category 9 in the Partnership's books and records; provided , that the initial contribution of such Special Firm Collateral shall initially equal 130% of the required Holdback Amount for a period of 90 days, and thereafter shall equal at least 115% of the required Holdback Amount. Paragraphs 4.1(d)(viii)(C) and (D) shall apply to such Special Firm Collateral. To the extent such Special Firm Collateral exceeds the applicable minimum percentage of the required Holdback Amount specified in the first sentence of this clause (vii)(B), the related Partner may obtain a release of such excess amount from the Trust Account.

(viii) (A) Any Partner or Withdrawn Partner may satisfy all or any portion of his Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his Holdback (excluding any Excess Holdback) has been previously satisfied in cash or by the use of an L/C as provided herein, obtain a release of Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Partner or Withdrawn Partner) that satisfy such Partner's or Withdrawn Partner's Holdback (excluding any Excess Holdback) by pledging to the Trustee(s) on a first priority basis all of his Special Firm Collateral in a particular Qualifying Fund, which at all times must equal or exceed the amount of the Holdback distributed to the Partner or Withdrawn Partner (as more fully set forth below). Any Partner seeking to satisfy such Partner's Holdback utilizing Special Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the General Partner) to perfect a first priority security interest in, and otherwise assure the ability of the Trustee(s) to realize on (if required), such Special Firm Collateral.

(B) If upon a distribution, withdrawal, sale, liquidation or other realization of all or any portion of any Special Firm Collateral (a " *Special Firm Collateral Realization* "), the remaining Special Firm Collateral (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) is insufficient to cover any Partner's or Withdrawn Partner's Holdback (when taken together with other means of satisfying the Holdback as provided herein (i.e., cash contributed to the Trust Account or an L/C in the Trust Account)), then up to 100% of the net proceeds otherwise distributable to such Partner or Withdrawn Partner from such

Special Firm Collateral Realization (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) shall be paid into the Trust (and allocated to such Partner or Withdrawn Partner) to fully satisfy such Holdback and shall be deemed thereafter to be Trust Amounts for purposes hereunder. Any net proceeds from such Special Firm Collateral Realization in excess of the amount necessary to satisfy such Holdback (excluding any Excess Holdback) shall be distributed to such Partner or Withdrawn Partner. To the extent a Qualifying Fund distributes Securities to a Partner or Withdrawn Partner in connection with a Special Firm Collateral Realization, such Partner or Withdrawn Partner shall be required to promptly fund such Partner's or Withdrawn Partner's deficiency with respect to his Holdback in cash or an L/C.

(C) Upon any valuation or revaluation of the Special Firm Collateral and/or any adjustment in the Applicable Collateral Percentage applicable to a Qualifying Fund, if such Partner's or Withdrawn Partner's Special Firm Collateral valued at less than such Partner's Holdback (excluding any Excess Holdback) as provided in the books and records of the Partnership, taking into account other permitted means of satisfying the Holdback hereunder, the Partnership shall provide notice of the foregoing to such Partner or Withdrawn Partner and, within 10 business days of receiving such notice, such Partner or Withdrawn Partner shall contribute cash or additional Special Firm Collateral to the Trust Account in an amount necessary to make up such deficiency. If any such Partner or Withdrawn Partner defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that clause (A) of the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to such default; provided further , that for purposes of applying Section 5.8(d)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(D) Upon a Partner becoming a Withdrawn Partner, at any time thereafter the General Partner may revoke the ability of such Withdrawn Partner to use Special Firm Collateral as set forth in this Section 4.1(d)(viii), notwithstanding anything else in this Section 4.1(d)(viii). In that case the provisions of clause (C) above shall apply to the Withdrawn Partner's obligation to satisfy the Holdback (except that 30 days' notice of such revocation shall be given), given that the Special Firm Collateral is no longer available to satisfy any portion of the Holdback (excluding any Excess Holdback).

(E) Nothing in this Section 4.1(d)(viii) shall prevent any Partner or Withdrawn Partner from using any amount of such Partner's interest in a Qualifying Fund as Firm Collateral; provided , that at all times Section 4.1(d)(v) and this Section 4.1(d)(viii) are each satisfied.

4.2. Interest . Interest on the balances of the Partners' capital (excluding capital invested in Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners' capital accounts at the end of each accounting period pursuant to Section 5.2, or at any other time as determined by the General Partner, at rates determined by the General Partner from time to time, and shall be charged as an expense of the Partnership.

4.3. Withdrawals of Capital . The Partners may not withdraw capital from the Partnership except (i) for distributions of cash or other property pursuant to Section 5.8, (ii) as otherwise expressly provided in this Agreement, or (iii) as determined by the General Partner.

ARTICLE V

PARTICIPATION IN PROFITS AND LOSSES

5.1. General Accounting Matters . (a) Net Income (Loss) shall be determined by the General Partner at the end of each accounting period and shall be allocated as described in Section 5.4.

(b) " *Net Income (Loss)* " from any activity of the Partnership for any accounting period means (i) the gross income realized by the Partnership from such activity during such accounting period less (ii) all expenses of the Partnership, and all other items that are deductible from gross income, for such accounting period that are allocable to such activity (determined as provided below).

" *Net Income (Loss)* " from any Investment for any accounting period in which such Investment has not been sold or otherwise disposed of means (i) the gross amount of dividends, interest or other income received by the Partnership from such Investment during such accounting period less (ii) all expenses of the Partnership for such accounting period that are allocable to such Investment (determined as provided below).

" *Net Income (Loss)* " from any Investment for the accounting period in which such Investment is sold or otherwise disposed of means (i) the sum of the gross proceeds from the sale or other disposition of such Investment and the gross amount of dividends, interest or other income received by the Partnership from such Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such Investment and all expenses of the Partnership for such accounting period that are allocable to such Investment.

Net Income (Loss) shall be determined in accordance with the accounting method used by the Partnership for U.S. federal income tax purposes with the following adjustments: (i) any income of the Partnership that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Net Income (Loss) shall be added to such taxable income or loss; (ii) if any asset has a value on the books of the Partnership that differs from its adjusted tax basis for U.S. federal income tax purposes, any depreciation, amortization or gain resulting from a disposition of such asset shall be calculated with reference to such value; (iii) upon an adjustment to the value of any asset on the books of the Partnership pursuant to Regulation Section 1.704-1(b)(2), the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (iv) any expenditures of the Partnership not deductible in

computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Net Income (Loss) pursuant to this definition shall be treated as deductible items; (v) any income from an Investment that is payable to Partnership employees in respect of "phantom interests" in such Investment awarded by the General Partner to employees shall be included as an expense in the calculation of Net Income (Loss) from such Investment, and (vi) items of income and expense (including interest income and overhead and other indirect expenses) of the Partnership, Holdings and other affiliates of the Partnership shall be allocated among the Partnership, Holdings and such affiliates, among various Partnership activities and Investments and between accounting periods, in each case as determined by the General Partner. The General Partner may adjust Net Income (Loss) as it deems appropriate from time to time, including adjustments for items of income accrued but not yet received, unrealized gains, items of expense accrued but not yet paid, unrealized losses, reserves (including reserves for taxes, bad debts, actual or threatened litigation, or any other expenses, contingencies or obligations) and other appropriate items shall be made in accordance with GAAP; provided , that the General Partner shall not be required to make any such adjustment.

(c) An accounting period shall be a Fiscal Year except that, at the option of the General Partner, an accounting period will terminate and a new accounting period will begin on the admission date of an additional Partner or the Settlement Date of a Withdrawn Partner, if any such date is not the first day of a Fiscal Year. If any event referred to in the preceding sentence occurs and the General Partner does not elect to terminate an accounting period and begin a new accounting period, then the General Partner may make such adjustments as it deems appropriate to the Partners' Profit Sharing Percentages for the accounting period in which such event occurs (prior to any allocations of Unallocated Percentages or adjustments to Profit Sharing Percentages pursuant to Section 5.3) to reflect the Partners' average Profit Sharing Percentages during such accounting period; provided , however , that the Profit Sharing Percentages of Partners in Net Income (Loss) from Investments acquired during such accounting period will be based on Profit Sharing Percentages in effect when each such Investment was acquired.

(d) In establishing Profit Sharing Percentages and allocating Unallocated Percentages pursuant to Section 5.3, the General Partner may consider such factors as it deems appropriate.

(e) All determinations, valuations and other matters of judgment required to be made for accounting purposes under this Agreement shall be made by the General Partner and approved by the Partnership's independent accountants. Such approved determinations, valuations and other accounting matters shall be conclusive and binding on all Partners, all Withdrawn Partners, their successors, heirs, estates or legal representatives and any other person, and to the fullest extent permitted by law no such person shall have the right to an accounting or an appraisal of the assets of the Partnership or any successor thereto.

5.2. Capital Accounts . (a) There shall be established for each Partner on the books of the Partnership, to the extent and at such times as may be appropriate, one or more capital accounts as the General Partner may deem to be appropriate for purposes of accounting for such Partner's interests in the capital and Net Income (Loss) of the Partnership.

(b) As of the end of each accounting period or, in the case of a contribution to the Partnership by one or more of the Partners or a distribution by the Partnership to one or more of the Partners, at the time of such contribution or distribution, (i) the appropriate capital accounts of each Partner shall be credited with the following amounts: (A) the amount of cash and the value of any property contributed by such Partner to the capital of the Partnership during such accounting period, (B) the Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital for such accounting period pursuant to Section 4.3; and (ii) the

appropriate capital accounts of each Partner shall be debited with the following amounts: (x) the amount of cash, the principal amount of any subordinated promissory note of the Partnership referred to in Section 6.5(k) (as such amount is paid) and the value of any property distributed to such Partner during such accounting period and (y) the Net Loss allocated to such Partner for such accounting period.

5.3. Profit Sharing Percentages . (a) Prior to the beginning of each annual accounting period, the General Partner shall (i) establish the profit sharing percentage (the "Profit Sharing Percentage") of each Partner in each category of Net Income (Loss) for such annual accounting period pursuant to Section 5.1(a) taking into account such factors as the General Partner deems appropriate, including those referred to in Section 5.1(d), and (ii) disclose such Profit Sharing Percentages as required by the Partnership Act; provided, however, that (i) the General Partner may elect to establish Profit Sharing Percentages in Net Income (Loss) from any Investment acquired by the Partnership during such accounting period at the time such Investment is acquired in accordance with paragraph (d) below and (ii) Net Income (Loss) for such accounting period from any Investment shall be allocated in accordance with the Profit Sharing Percentages in such Investment established in accordance with paragraph (d) below. The General Partner may establish different Profit Sharing Percentages for any Partner in different categories of Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner's Profit Sharing Percentages shall be allocated by the General Partner to one or more of the remaining Partners as the General Partner shall determine. In the case of the admission of any Partner to the Partnership as an additional Partner, the Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner's Profit Sharing Percentage shall be pro rata based upon such Partner's Profit Sharing Percentage as in effect immediately prior to the admission of the new Partner. Notwithstanding the foregoing, the General Partner may also adjust the Profit Sharing Percentage of any Partner for any annual accounting period at the end of such annual accounting period.

(b) The General Partner may elect to allocate to the Partners less than 100% of the Profit Sharing Percentages of any category for any annual accounting period at the time specified in Section 5.3(a) for the annual fixing of Profit Sharing Percentages (any remainder of such Profit Sharing Percentages being called an " *Unallocated Percentage* "); provided , however , that any Unallocated Percentage in any category of Net Income (Loss) for any annual accounting period that is not allocated by the General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among the Partners (including Holdings) in the manner determined by the General Partner in its sole discretion.

(c) Unless otherwise determined by the General Partner in a particular case, (i) Profit Sharing Percentages in Net Income (Loss) from any Investment shall be allocated in proportion to the Partners' respective capital contributions in respect of such Investment and (ii) Profit Sharing Percentages in Net Income (Loss) from each Investment shall be fixed at the time such Investment is acquired and shall not thereafter change, subject to any repurchase rights or other requirements established by the General Partner pursuant to Section 5.7. The General Partner shall have no Profit Sharing Percentage in Net Income (Loss) from any Investment, but shall receive its pro rata share, based on its capital contribution, of earnings on short-term and temporary investments of the Partnership.

5.4. Allocations of Net Income (Loss) . (a) Except as provided in Sections 5.4(d) and 5.4(e), Net Income for each BREP International II Investment shall be allocated to the Capital Accounts related to such BREP International II Investment of all the Partners participating in such BREP International II Investment: first, in proportion to and to the extent of the amount of Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest distributed to the Partners, second, to Partners that received Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest in years prior to the years such Net Income is being allocated

to the extent such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest exceeded Net Income allocated to such Partners in such earlier years; and third, to the Partners in the same manner that such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest would have been distributed if cash were available to distribute with respect thereto.

(b) Net Loss of the Partnership shall be allocated as follows: (i) Net Loss relating to realized losses suffered by BREP International II and allocated (indirectly) to the Partnership with respect to its pro rata share thereof (based on capital contributions made (indirectly) to BREP International II) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with respect to the Investment giving rise to such loss suffered by BREP International II and (ii) Net Loss relating to realized losses suffered by BREP International II and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)).

(c) Notwithstanding Section 5.4(a) above, Net Income relating to Carried Interest allocated after the allocation of a Net Loss pursuant to clause (ii) of Section 5.4(b) shall be allocated in accordance with such Carried Interest Give Back Percentages until such time as the Partners have been allocated Net Income relating to Carried Interest equal to the aggregate amount of Net Loss previously allocated in accordance with clause (ii) of Section 5.4(b). Withdrawn Partners shall remain Partners for purposes of allocating such Net Loss with respect to Carried Interest.

(d) To the extent the Partnership has any Net Income (Loss) for any accounting period unrelated to BREP International II, such Net Income (Loss) will be allocated in accordance with Profit Sharing Percentages prevailing at the beginning of such accounting period, except as provided in Section 5.4(e).

(e) The General Partner may authorize from time to time advances to Partners against their allocable shares of Net Income (Loss).

5.5. Liability of General and Limited Partners . (a) General Partner shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

(b) Each Limited Partner (including each Special Limited Partner) and former Limited Partner shall be liable for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership allocable to him pursuant to Section 5.4, but only to the extent of his aggregate contribution to the Partnership pursuant to this Agreement. Except as otherwise provided in the following sentence, in no event shall any Limited Partner (including any Special Limited Partner) or former Limited Partner be obligated to make any additional capital contribution to the Partnership in excess of his aggregate capital contribution to the Partnership pursuant to Section 4.1, or have any liability in excess of such aggregate capital contribution for the satisfaction and discharge of the losses, liabilities and expenses of the Partnership. In no way does any of the foregoing limit any Partner's obligations under Section 4.1(d) or 5.8(d) or otherwise to make capital contributions as provided hereunder. Notwithstanding anything contained herein, each Partner agrees that the exercise of any right or power provided in this Agreement shall not make any Limited Partner liable as a general partner.

5.6. [Intentional Omitted] .

5.7. Repurchase Rights, etc . The General Partner may from time to time establish such repurchase rights and/or other requirements with respect to the Partners' interests in partnership assets (including BREP International II Investments) as the General Partner may determine. The General Partner shall, prior to the dissolution of the Partnership, have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such other requirements are satisfied, (b) pay any distribution to any Partner that is not vested as of the distribution date and require the refund of any portion of such distribution that is Contingent as of the Withdrawal Date of such Partner, (c) amend any previously established repurchase rights or other requirements from time to time and (d) make such exceptions to any thereto as it may determine on a case by case basis.

5.8. Distributions .

(a) (i) The Partnership shall make distributions of available cash (subject to reserves and adjustments established by the General Partner as provided in Section 5.1) or other property to Partners at such times and in such amounts as are determined by the General Partner. The General Partner shall determine the availability for distribution of, and shall distribute, cash or other property separately for each category of Net Income (Loss) established pursuant to Section 5.1(a). Distributions of cash or other property with respect to Non-Carried Interest shall be made among the Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Sections 4.1(d) and 5.8(e), distributions of cash or other property with respect to Carried Interest shall be made among Partners in accordance with their respective Carried Interest Sharing Percentages. At any time that a sale, exchange, transfer or other disposition by BREP International II of a portion of an Investment is being considered by the Partnership (a " Disposable Investment "), at the election of the General Partner each Partner's Interest with respect to such Investment shall be vertically divided into two separate Interests, an Interest attributable to the Disposable Investment (a Partner's " Class B Interest "), and an Interest attributable to such Investment excluding the Disposable Investment (a Partner's " Class A Interest "). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BREP International II) relating to a Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class B Interests with respect to such Investment in accordance with their Profit Sharing Percentages relating to such Class B Interests, and distributions (including those resulting from the sale, transfer, exchange or the disposition by BREP International II) relating to an Investment excluding such Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class A Interests with respect to such Investment in accordance with their respective Profit Sharing Percentages relating to such Class A Interests. Except as provided above, distributions of cash or other property with respect to each category of Net Income (Loss) shall be allocated among the Partners in the same proportions as the allocations of Net Income (Loss) of each such category.

(ii) The General Partner may distribute to individual Partners (including any Investor Limited Partner) at any time interests in investments of the Partnership as it shall determine.

(b) Subject to the Partnership's having sufficient available cash in the reasonable judgment of the General Partner, the Partnership shall make cash distributions to each Partner with respect to each Fiscal Year of the Partnership in an aggregate amount at least equal to the total U.S. Federal, New York State and New York City income and other taxes that would be payable by such Partner with respect to all categories of Net Income (Loss) allocated to such Partner for such Fiscal Year, the amount of which shall be calculated (i) on the assumption that each Partner is an individual subject to the then prevailing maximum U.S. Federal, New York State and New York City income tax rates, (ii) taking into account the deductibility of state and local income and other taxes for U.S. Federal income tax purposes and (iii) taking into account any differential in applicable rates due to the type and character of Net Income (Loss) allocated to such Partner. Notwithstanding the provisions of the foregoing sentence, the General Partner may refrain from making any distribution if, in the reasonable judgment of the General Partner, such distribution is prohibited by, or in violation of, the Partnership Act.

(c) The General Partner may provide that the Partner interest of any Partner or employee (including such Partner's or employee's right to distributions and investments of the Partnership related thereto) may be subject to repurchase by the Partnership during such period as the General Partner shall determine (a " *Repurchase Period* "). Any Contingent distributions from investments subject to repurchase rights will be withheld by the Partnership and will be distributed to the recipient thereof (together with interest thereon at rates determined by the General Partner from time to time) as the recipient's rights to such distributions become Non-Contingent (by virtue of the expiration of the applicable Repurchase Period or otherwise). The General Partner may elect in an individual case to have the Partnership distribute any Contingent distribution to the applicable recipient thereof. If a Partner Withdraws from the Partnership for any reason other than death, Total Disability or Incompetence, the undistributed share of any investment that remains Contingent as of the applicable Withdrawal Date may be repurchased by the Partnership at a purchase price determined at such time by the General Partner. Unless determined otherwise by the General Partner, the repurchased portion thereof will be allocated among the remaining Partners with interests in such investment in proportion to their respective percentage interests in such investment, or if no other Partner has a percentage interest in such specific investment, to Holdings; provided , however , that the General Partner may allocate the Withdrawn Partner's share of unrealized investment income from a repurchased investment attributable to the period after the Withdrawn Partner's Withdrawal Date on any basis it may determine, including to existing or new Partners who did not previously have interests in such investment, except that, in any event, each Investor Limited Partner shall be allocated a share of such unrealized investment income equal to its respective Profit Sharing Percentage of such unrealized investment income.

(d) (i) (A) If the Partnership is obligated to contribute to BREP International II, directly or indirectly through one or more affiliates, a Clawback Amount or Giveback Amount payable pursuant to the Clawback Provisions or Giveback Provisions, as the case may be, the Partnership shall call for such amounts as are necessary to satisfy such obligations as determined by the General Partner, in which case each Partner and Withdrawn Partner shall contribute to the Partnership in cash, when and as called by the Partnership, such an amount of prior distributions by the Partnership (and the Other Fund GPs) with respect to Carried Interest (and/or Non-Carried Interest in the case of a Giveback Amount) (the " Recontribution Amount ") which equals (I) the product of (a) such Partner's or Withdrawn Partner's Carried Interest Give Back Percentage and (b) the aggregate Clawback Amount payable by the Partnership in the case of Clawback Amounts and (II) with respect to a Giveback, such Partner's pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the BREP International II Investment giving rise to the Giveback Amount, (b) if the amounts contributed pursuant to clause (II)(a) above are insufficient to satisfy such Giveback Amount, BREP International II Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the BREP International II Investment referred to in clause (II)(a) above and (c) if the Giveback Amount is unrelated to a specific BREP International II Investment, all BREP International II Investments. Each Partner and Withdrawn Partner shall promptly contribute to the Partnership, along with satisfying his comparable obligations to the Other Fund GPs, if any, upon such call such Partner's or Withdrawn Partner's Recontribution Amount, less the amount paid out of the Trust Account on behalf of such Partner or Withdrawn Partner by the Trustee(s) pursuant to written instructions from the Partnership, or if applicable, any of the Other Fund GPs with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the " Net Recontribution Amount "), irrespective of the fact that the amounts in the Trust Account may be sufficient on an aggregate basis to satisfy the Partnership's, BRE Holdings V's, BREA International II's and the Other Fund GPs' obligation under the Clawback Provisions and/or Giveback Provisions; provided , that to the extent a Partner's or Withdrawn Partner's share of the amount paid with respect to the Clawback Amount

exceeds his Recontribution Amount, such excess shall be repaid to such Partner or Withdrawn Partner as promptly as reasonably practicable, subject to clause (ii) below; provided further , that such written instructions from the Partnership shall specify each Partner's and Withdrawn Partner's Recontribution Amount. Prior to such time, the Partnership may, in its discretion (but shall be under no obligation to), provide notice that in the Partnership's judgment, the potential obligations in respect of the Clawback Provisions or Giveback Provisions will probably materialize (and an estimate of the aggregate amount of such obligations); provided further , that any amount from a Partner's Trust Account used to pay any Giveback Amount (or such lesser amount as may be required by the General Partner) shall be contributed by such Partner to such Partner's Trust Account no later than 30 days after the Net Recontribution Amount is paid with respect to such Giveback.

(B) To the extent any Partner or Withdrawn Partner has satisfied any Holdback obligation with Firm Collateral, such Partner or Withdrawn Partner shall, within 10 days of the Partnership's call for Recontribution Amounts, make a cash payment into the Trust Account in an amount equal to the amount of the Holdback obligation satisfied with such Firm Collateral, or such lesser amount such that the amount in the Trust Account allocable to such Partner or Withdrawn Partner equals the sum of (I) such Partner's or Withdrawn Partner's Recontribution Amount and (II) any similar amounts payable to any Other Fund GPs. Immediately upon receipt of such cash, the Trustee(s) shall take such steps necessary to release such Firm Collateral of such Partner or Withdrawn Partner equal to the amount of such cash payment. If the amount of such cash payment is less than the amount of Firm Collateral of such Partner or Withdrawn Partner, the balance of such Firm Collateral if any, shall be retained to secure the payment of Deficiency Contributions, if any, and shall be fully released upon the satisfaction of the Partnership's and the Other Fund GPs' obligation to pay the Clawback Amount. The failure of any Partner or Withdrawn Partner to make a cash payment in accordance with this clause (B) (to the extent applicable) shall constitute a default under Section 5.8(d)(ii) as if such cash payment hereunder constitutes a Net Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner or a partner or other equity holder in any Other Fund GP (a " Defaulting Party ") fails to recontribute all or any portion of such Defaulting Party's Net Recontribution Amount for any reason, the Partnership shall require all other Partners and Withdrawn Partners to contribute, on a *pro rata* basis (based on each of their respective Carried Interest Give Back Percentages in the case of Clawback Amounts, and Profit Sharing Percentages in the case of Giveback Amounts (as more fully described in clause (II) of Section 5.8(d)(i)(A) above)), such amounts as are necessary to fulfill the Defaulting Party's obligation to pay such Defaulting Party's Net Recontribution Amount (a " Deficiency Contribution ") if the General Partner determines in its good faith judgment that the Partnership (or Other Fund GP) will be unable to collect such amount in cash from such Defaulting Party for payment of the Clawback Amount or Giveback Amount, as the case may be, at least 20 Business Days prior to the latest date that the Partnership, and the Other Fund GPs, if applicable, are permitted to pay the Clawback Amount or Giveback Amount, as the case may be; provided , that, subject to Section 5.8(e), no Partner or Withdrawn Partner shall as a result of such Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of

the Net Recontribution Amount initially requested from such Partner or Withdrawn Partner in respect of such default. Thereafter, the General Partner shall determine in its good faith judgment that the Partnership should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the General Partner or (2) pursue any and all remedies (at law or equity) available to the Partnership against the Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Defaulting Party. It is agreed that the Partnership shall have the right (effective upon such Defaulting Party becoming a Defaulting Party) to set-off as appropriate and apply against such Defaulting Party's Net Recontribution Amount any amounts otherwise payable to the Defaulting Party by the Partnership or any other affiliate thereof (including amounts unrelated to Carried Interest, such as returns of capital and profit thereon). Each Partner and Withdrawn Partner hereby grants to the Partnership a security interest, effective upon such Partner or Withdrawn Partner becoming a Defaulting Party, in all accounts receivable and other rights to receive payment from any affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the Partnership may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the Partnership as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or Withdrawn Partner or in its own name, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Partnership shall be entitled to collect interest on the Net Recontribution Amount of a Defaulting Party from the date such Recontribution Amount was required to be contributed to the Partnership at a rate equal to the Default Rate.

(B) Any Partner's or Withdrawn Partner's failure to make a Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to a Partner or Withdrawn Partner to satisfy such Partner's or Withdrawn Partner's obligation to make a Deficiency Contribution before seeking cash contributions from such Partner or Withdrawn Partner in satisfaction of such Partner's or Withdrawn Partner's obligation to make a Deficiency Contribution.

(iii) A Partner or Withdrawn Partner's obligation to make contributions to the Partnership under this Section 5.8(d) shall survive the termination of the Partnership.

(e) The Partners acknowledge that the General Partner will (and are hereby authorized to) take such steps as it deems appropriate, in its good faith judgment, to further the objective of providing for the fair and equitable treatment of all Partners, including by allocating Writedowns and Losses (as defined in the BREP International II Agreement) on BREP International II Investments that have been the subject of a Writedown and/or Losses (each, a " *Loss Investment* ") to those Partners who participated in such Loss Investments based on their Carried Interest Sharing Percentage therein to the extent that such Partners receive or have received Carried Interest distributions from other BREP International II Investments. Consequently and notwithstanding anything herein to the contrary, adjustments to Carried Interest distributions shall be made as set forth in this Section 5.8(e).

(i) At the time the Partnership is making Carried Interest distributions in connection with a BREP International II Investment (the " *Subject Investment* ") that have been reduced under the BREP International II Agreement as a result of one or more Loss Investments, the General Partner shall calculate amounts distributable to or due from each such Partner as follows:

(A) determine each Partner's share of each such Loss Investment based on his Carried Interest Sharing Percentage in each such Loss Investment (which may be zero) to the extent such Loss Investment has reduced the Carried Interest distributions otherwise available for distribution to all Partners (indirectly through the Partnership from BREP International II) from the Subject Investment (such reduction, the " *Loss Amount* ");

(B) determine the amount of Carried Interest distributions otherwise distributable to such Partner with respect to the Subject Investment (indirectly through the Partnership from BREP International II) before any reduction in respect of the amount determined in clause (A) above (the " *Unadjusted Carried Interest Distributions* "); and

(C) subtract (I) the Loss Amounts relating to all Loss Investments from (II) the Unadjusted Carried Interests Distributions for such Partner, to determine the amount of Carried Interest distributions to actually be paid to such Partner (" *Net Carried Interest Distribution* ").

To the extent that the Net Carried Interest Distribution for a Partner as calculated in this clause (i) is a negative number, the General Partner shall (I) notify such Partner, at or prior to the time such Carried Interest distributions are actually made to the Partners, of his obligation to recontribute to the Partnership prior Carried Interest distributions (a " *Net Carried Interest Distribution Recontribution Amount* "), up to the amount of such negative Net Carried Interest Distribution, and (II) to the extent amounts recontributed pursuant to clause (I) are insufficient to satisfy such negative Net Carried Interest Distribution amount, reduce future Carried Interest distributions otherwise due such Partner, up to the amount of such remaining negative Net Carried Interest Distribution. If a Partner's (x) Net Carried Interest Distribution Recontribution Amount exceeds (y) the aggregate amount of prior Carried Interest distributions less the amount of tax thereon, calculated based on the Assumed Tax Rate (as defined in the BREP International II Agreement) in effect in the Fiscal Years of such distributions (the " *Excess Tax-Related Amount* "), then such Partner may, in lieu of paying such Partner's Excess Tax-Related Amount, defer such amounts as set forth below. Such deferred amount shall accrue interest at the rate of interest publicly announced from time to time by JPMorgan Chase Bank in New York City, as its prime rate. Such deferred amounts shall be reduced and repaid by the amount of Carried Interest otherwise distributable to such Partner in connection with future Carried Interest distributions until such balance is reduced to zero. Any deferred amounts shall be payable in full upon the earlier of (i) such time as the Clawback Amount is determined (as provided herein) and (ii) such time as the Partner becomes a Withdrawn Partner.

To the extent there is an amount of negative Net Carried Interest Distribution with respect to a Partner remaining after the application of this clause (i), notwithstanding clause (II) of the preceding paragraph, such remaining amount of negative Net Carried Interest Distribution shall be allocated to the other Partners pro rata based on each of their Carried Interest Sharing Percentages in the Subject Investment.

A Partner who fails to pay a Net Carried Interest Distribution Recontribution Amount promptly upon notice from the General Partner (as provided above) shall be deemed a Defaulting Party for all purposes hereof.

A Partner may satisfy in part any Net Carried Interest Distribution Recontribution Amount from cash that is then subject to a Holdback, to the extent that the amounts that remain subject to a Holdback satisfy the Holdback requirements hereof as they relate to the reduced amount of aggregate Carried Interest distributions received by such Partner (taking into account any Net Carried Interest Distribution Recontribution Amount contributed to the Partnership by such Partner).

Any Net Carried Interest Distribution Recontribution Amount contributed by a Partner, including amounts of cash subject to a Holdback as provided above, shall increase the amount available for distribution to the other Partners as Carried Interest distributions with respect to the Subject Investment; provided , that any such amounts then subject to a Holdback may be so distributed to the other Partners to the extent a Partner receiving such distribution has satisfied the Holdback requirements with respect to such distribution (taken together with the other Carried Interest distributions received by such Partner to date).

(ii) In the case of Clawback Amounts which are required to be contributed to the Partnership as otherwise provided herein, the obligation of the Partners with respect to any Clawback Amount shall be adjusted by the General Partner as follows:

(A) determine each Partner's share of any Losses in any BREP International II Investments which gave rise to the Clawback Amount (i.e. , the Losses that followed the last BREP International II Investment with respect to which Carried Interest distributions were made), based on such Partner's Carried Interest Sharing Percentage in such BREP International II Investments;

(B) determine each Partner's obligation with respect to the Clawback Amount based on such Partner's Carried Interest Give Back Percentage as otherwise provided herein; and

(C) subtract the amount determined in clause (B) above from the amount determined in clause (A) above with respect to each Partner to determine the amount of adjustment to each Partner's share of the Clawback Amount (a Partner's "*Clawback Adjustment Amount* ").

A Partner's share of the Clawback Amount shall for all purposes hereof be decreased by such Partner's Clawback Adjustment Amount, to the extent it is a negative number (except to the extent expressly provided below). A Partner's share of the Clawback Amount shall for all purposes hereof be increased by such Partner's Clawback Adjustment Amount (to the extent it is a positive number); provided , that in no way shall a Partner's aggregate obligation to satisfy a Clawback Amount as a result of this clause (ii) exceed the aggregate Carried Interest distributions received by such Partner. To the extent a positive Clawback Adjustment Amount remains after the application of this clause (ii) with respect to a Partner, such remaining Clawback Adjustment Amount shall be allocated to the Partners (including any Partner whose Clawback Amount was increased pursuant to this clause (ii)) pro rata based on their Carried Interest Give Back Percentages (determined without regard to this clause (ii)).

Any distribution or contribution adjustments pursuant to this Section 5.8(e) by the General Partner shall be based on its good faith judgment, and no Partner shall have any claim against the Partnership, the General Partner or any other Partners as a result of any adjustment made as set forth above. This Section 5.8(e) applies to all Partners, including Withdrawn Partners.

It is agreed and acknowledged that this Section 5.8(e) is an agreement among the Partners and in no way modifies the obligations of each Partner regarding the Clawback Amount as provided in the BREP International II Agreement.

5.9. Business Expenses . The Partnership shall reimburse the Partners for reasonable travel, entertainment and miscellaneous expenses incurred by them in their participation of the Partnership's affairs in accordance with rules and regulations established by the General Partner from time to time.

ARTICLE VI

ADDITIONAL PARTNERS; WITHDRAWAL OF PARTNERS; SATISFACTION AND DISCHARGE OF PARTNERSHIP INTERESTS; TERMINATION

6.1. Additional Partners (a) Effective on the first day of any month (or on such other date as shall be determined by the General Partner in its sole discretion), the General Partner shall have the right to admit one or more additional persons into the Partnership as General Partners or Limited Partners. The General Partner shall determine and negotiate with the additional Partner all terms of such additional Partner's participation in the Partnership, including the additional Partner's initial capital contribution and Profit Sharing Percentage. Each additional Partner shall have such voting rights as may be determined by the General Partner from time to time unless, upon the admission to the Partnership of any Limited Partner the General Partner shall designate that such Limited Partner shall not have such voting rights (any such Limited Partner being called a " *Nonvoting Limited Partner* "). Any additional Partner shall, as a condition to becoming a Partner, agree to become a party to, and be bound by the terms and conditions of, the Trust Agreement.

(b) The Profit Sharing Percentages to be allocated to an additional Partner as of the date such Partner is admitted to the Partnership, together with the pro rata reduction in all other Partners' Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3.

(c) An additional Partner shall be required to contribute to the Partnership his pro rata share of the Partnership's total capital, excluding capital in respect of Investments in which such Partner does not acquire any interests, at such times and in such amounts as shall be determined by the General Partner in accordance with Section 4.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a counterpart copy of this Agreement by such additional Partner or the execution of an amendment to this Agreement by all the Partners (including the additional Partner), as determined by the General Partner, and (ii) the filing of any certificates or notifications pursuant to the Partnership Act. In addition, each additional Partner shall sign a counterpart copy of the Trust Agreement or any other writing evidencing the intent of such person to become a party to the Trust Agreement that is accepted by the General Partner on behalf of the Partnership.

6.2. Withdrawal of Partners . (a) Any Partner may Withdraw voluntarily from the Partnership on the last day of any calendar month, on not less than 15 days' prior written notice by such Partner to the General Partner (or on such shorter notice period as may be mutually agreed upon between

such Partner and the General Partner); provided , however, that a Partner may not voluntarily Withdraw without the consent of the General Partner if such Withdrawal would (i) cause the Partnership to be in default under any of its contractual obligations or (ii) in the reasonable judgment of the General Partner, have a material adverse effect on the Partnership or its business.

(b) Upon the death or Incompetence of any Limited Partner, or the occurrence of any other mandatory Withdrawal event under the Partnership Act with respect to any Limited Partner, such Limited Partner shall thereupon cease to be a Limited Partner.

(i) The General Partner may not assign or transfer all or any portion of its interest in the Partnership without the prior consent of all the Limited Partners. Each Limited Partner agrees not to withhold its consent in the event an assignment or transfer has been approved by Limited Partners whose Profit Sharing Percentages exceed two-thirds of the Profit Sharing Percentages of all Limited Partners (in each case, as last determined as of the date of the consent). Notwithstanding the foregoing or any other provision of this Agreement, the General Partner may, at any time prior to any Disabling Event with respect to such General Partner and without the consent of any other Partner, convert or merge into, or otherwise assign or transfer its interest as the General Partner of the Partnership to, any other person, and such person will succeed to the position of general partner of the Partnership, with all the rights, powers and obligations associated therewith, provided that any individuals who are shareholders of the General Partner will control and own (in the aggregate), directly or indirectly, not less than a majority of the equity interests in such other person. The Partners, upon the request of the General Partner, agree to provide the General Partner a written ratification of such succession. If the General Partner is converted to another type of entity pursuant to this Section 6.2(b)(ii), the General Partner will not cease to be the General Partner of the Partnership and, upon such conversion, the Partnership will continue without dissolution. If a merger of the General Partner into another person pursuant to this Section 6.2(b)(ii) will not result in the General Partner being the surviving entity of the merger, the person that will be the surviving entity in the merger with the General Partner will itself be admitted to the Partnership as an additional general partner of the Partnership immediately preceding the merger upon its execution of a counterpart to this Agreement and, upon such merger, the Partnership will continue without dissolution. Any purported assignment or transfer pursuant to this Section 6.2(b)(ii) which is not in accordance with this Agreement shall be null and void. The General Partner shall not cease to be the general partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire interest in the Partnership.

(c) Upon the Total Disability of a Special Limited Partner, such Partner shall thereupon cease to be a Special Limited Partner; provided , however , that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with such partnership interest as it may determine. The determination of whether any Partner has suffered a Total Disability shall be made by the General Partner in its sole discretion after consultation with a qualified medical doctor. In the absence of agreement between the General Partner and such Partner, each party shall nominate a qualified medical doctor and the two doctors shall select a third doctor, who shall make the determination as to Total Disability.

(d) If the General Partner determines that it shall be in the best interests of the Partnership for any Partner (including any Partner who has given notice of voluntary Withdrawal pursuant to paragraph (a) above) to Withdraw from the Partnership (whether or not Cause exists), such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw as of a date specified in such notice, which date shall be on or after the date of such notice. If the General Partner requires any Partner to Withdraw for Cause, such notice shall state that it has been given for Cause and shall describe the particulars thereof in reasonable detail.

(e) The withdrawal from the Partnership of any Partner shall not, in and of itself, affect the obligations of the other Partners to continue the Partnership during the remainder of its term. A Withdrawn General Partner shall remain liable for all obligations of the Partnership incurred while it was a General Partner and resulting from its acts or omissions as a General Partner to the fullest extent provided by law.

6.3. Partnership Interests Not Transferable .

(a) No Limited Partner may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Partner's interest in the Partnership other than as permitted by written agreement between such Partner and the Partnership; provided, however, that this Section 6.3 shall not impair transfers by operation of law, transfers by will or by other testamentary instrument occurring by virtue of the death or dissolution of a Partner, or transfers required by trust agreements; and provided further, that a Special Limited Partner may assign, for estate planning purposes, up to 25% of his Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which a Partner controls Investment related to any Interest in the Partnership (an " *Estate Planning Vehicle* "). Each Estate Planning Vehicle will be a Nonvoting Special Limited Partner. Such Partner and the Nonvoting Special Limited Partner will be jointly and severally for all obligations of both such Partner and such Nonvoting Special Limited Partner with respect to the Partnership (including the obligation to make additional capital contributions), as the case may be. The General Partner may at its sole option exercisable at any time require any Estate Planning Vehicle to withdraw from the Partnership on the terms of this Article VI. Except as provided in the second proviso to the first sentence of this Section 6.3(a), no assignee, legatee, distributee, heir or transferee (by conveyance, operation of law or otherwise) of the whole or any portion of any Partner's interest in the Partnership shall have any right to be a General Partner or Limited Partner without the prior written consent of the General Partner (which consent may be withheld without giving reason therefor). Notwithstanding the granting of a security interest in the entire partnership interest of any Partner, such Partner shall continue to be a partner of the Partnership.

6.4. General Partner Withdrawal . Except as contemplated by Section 6.2(b)(ii), withdrawal by a General Partner is not permitted. The General Partner may, in accordance with Section 6.2(b)(ii), transfer or assign its interest as a general partner in the Partnership. A person who is admitted as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs and take part in the control of the Partnership and to vote as a Partner to the extent of the interest in the Partnership so acquired. The General Partner shall not cease to be the general partner of the Partnership upon the collateral assignment of or the pledging or granting of a security interest in its entire interest in the Partnership.

6.5. Satisfaction and Discharge of a Withdrawn Partner's Interest . (a) As used in this Agreement, (i) the term " *Withdrawn Partner* " shall mean a Limited Partner whose interest in the Partnership has been terminated for any reason, including the occurrence of an event specified in Section 6.2, and shall include, unless the context requires otherwise, the estate or legal representatives of any such Partner, (ii) the term " *Withdrawal Date* " shall mean the date of the Withdrawal from the Partnership of a Withdrawn Partner and (iii) the term " *Settlement Date* " shall mean the date as of which a Withdrawn Partner's interest in the Partnership is settled as determined under paragraph (b) below.

(b) Except where a later date for the settlement of a Withdrawn Partner's interest in the Company may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner's

Settlement Date shall be his Withdrawal Date; provided, that if a Withdrawn Partner's Withdrawal is not the last day of a month, then the General Partner may elect for such Withdrawn Partner's Settlement Date to be the last day of the month in which his Withdrawal Date occurs. During the interval, if any, between a Withdrawn Partner's Withdrawal Date and Settlement Date, such Withdrawn Partner shall have the same rights and obligations with respect to capital contributions, interest on capital, allocations of Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Company during such period.

(c) In the event of the Withdrawal of a Limited Partner, the General Partner shall, promptly after such Withdrawn Partner's Settlement Date (i) determine and allocate to the Withdrawn Partner's capital account such Withdrawn Partner's allocable share of the Net Income (Loss) of the Partnership for the period ending on such Settlement Date in accordance with Article V and (ii) credit the Withdrawn Partner's capital account with interest in accordance with Section 5.2. In making the foregoing calculations, the General Partner shall be entitled to establish such reserves (including reserves for taxes, bad debts, unrealized losses, actual or threatened litigation or any other expenses, contingencies or obligations) as it deems appropriate. Except as provided in this Section 6.5(c) and unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any amounts or Unallocated Percentage in respect of the accounting period during which such Partner Withdraws from the Partnership (whether or not previously awarded or allocated) or any amounts or Unallocated Percentage in respect of prior accounting periods that have not been paid or allocated (whether or not previously awarded) as of such Withdrawn Partner's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner's Profit Sharing Percentages shall, unless otherwise allocated by the General Partner pursuant to Section 5.3(a), be deemed to be Unallocated Percentages (except for Profit Sharing Percentages with respect to Investments as provided in paragraph (f) below).

(e) Upon the Withdrawal from the Partnership of a Partner, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights), and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's Net Income (Loss), distributions, Investments or other assets. If a Partner Withdraws from the Partnership for any reason other than for Cause pursuant to Section 6.2, then the Withdrawn Partner shall be entitled to receive, at the time or times specified in Section 6.5(i) below, in satisfaction and discharge in full of the Withdrawn Partner's interest in the Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's capital accounts, (excluding any capital account or portion thereof attributable to any Investment) and (y) the Withdrawn Partner's percentage interest attributable to each Investment in which the Withdrawn Partner has an interest as of the Settlement Date as provided in paragraph (f) below (which shall be settled in accordance with paragraph (f) below), subject to all the terms and conditions of paragraphs (a)-(q) of this Section 6.5. If the amount determined pursuant to clause (x) above is an aggregate negative balance, the Withdrawn Partner shall pay the amount thereof to the Partnership upon demand by the General Partner on or after the date of the statement referred to in Section 6.5(i) below; provided , however , that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his Withdrawal Date, such payment shall be required only to the extent of any amounts payable to such Withdrawn Partner pursuant to this Section 6.5. Any aggregate negative balance in the capital accounts of a Withdrawn Partner who was solely a Limited Partner (including a Special Limited Partner), upon the settlement of such Withdrawn Partner's interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' capital accounts in accordance with their respective Profit Sharing Percentages in the categories of Net Income (Loss) giving rise to such negative balance as determined by the General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or in anticipation of any value the Partnership or any successor thereto might have in the event the Partnership or any interest therein were to be sold in whole or in part.

(f) Notwithstanding clause (i) of this Section 6.5(e), in the case of a Partner whose Withdrawal resulted from such Partner's death or Incompetence, such Partner's estate or legal representative, as the case may be, may elect, at the time described below, to receive a Nonvoting Limited Partner Interest and retain such Partner's Profit Sharing Percentage in all (but not less than all) illiquid investments of the Partnership in lieu of a cash payment (or Note) in settlement of that portion of the Withdrawn Partner's interest. The election referred to above shall be made within 60 days after the Withdrawn Partner's Settlement Date, based on a statement of the settlement of such Withdrawn Partner's interest in the Partnership pursuant to Section 6.5.

(g) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Partner's "percentage interest" means his Profit Sharing Percentage as of the Settlement Date in the relevant Investment. The Withdrawn Partner shall retain his percentage interest in such Investment and shall retain his capital account or portion thereof attributable to such Investment, in which case such Withdrawn Partner (a "Retaining Withdrawn Partner") shall become a Nonvoting Limited Partner. The Interests of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to Interests of any kind hereunder and such other terms and conditions as are established by the General Partner. At the option of the General Partner in its sole discretion, the General Partner and the Retaining Withdrawn Partner may agree to have the Partnership acquire such interests without the approval of the other Partners; provided , that the General Partner shall reflect in the books and records of the Partnership the terms of any acquisition pursuant to this sentence.

(h) The General Partner may elect, in lieu of payment in cash of any amount payable to a Withdrawn Partner pursuant to paragraph (e) above, to have the Partnership issue the Withdrawn Partner a subordinated promissory note as provided in paragraph (k) below and/or to distribute in kind to the Withdrawn Partner such Withdrawn Partner's pro rata share (as determined by the General Partner) of any securities or other investments of the Partnership. If any securities or other investments are distributed in kind to a Withdrawn Partner under this paragraph (g), the amount described in clause (x) of paragraph (e)(i) shall be reduced by the value of such distribution as valued on the latest balance sheet of the Partnership in accordance with generally accepted accounting principles or, if not appearing on such balance sheet, as reasonably determined by the General Partner.

(i) [Intentionally omitted].

(j) Within 120 days after the Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note (as referred to in paragraph (k) below) and in kind distributions to be made to such Partner as shall be determined by the General Partner. The General Partner shall submit to the Withdrawn Partner supplemental statements with respect to additional amounts payable to or by the Withdrawn Partner in respect of the settlement of his interest in the Partnership (e.g. , payments in respect of Investments pursuant to paragraph (f) above or adjustments to reserves pursuant to paragraph (j) below) promptly after such amounts are determined by the General Partner. To the fullest extent permitted by law, such statements and the valuations on which they are based shall be accepted by the Withdrawn Partner without examination of the accounting books and records of the Partnership or other inquiry. Any amounts payable by the Partnership to a Withdrawn Partner pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment or provision for payment in full of claims of all present or future creditors of the Partnership or any successor thereto arising out of matters occurring prior to the applicable date of payment or distribution; provided that such Withdrawn Partner shall otherwise rank *pari passu* in right of payment (x)

with all persons who become Withdrawn Partners and whose Withdrawal Date is within one year before the Withdrawal Date of the Withdrawn Partner in question and (y) with all persons who become Withdrawn Partners and whose Withdrawal Date is within one year after the Withdrawal Date of the Withdrawn Partner in question.

(k) If the aggregate reserves established by the General Partner as of the Settlement Date in making the foregoing calculations should prove, in the determination of the General Partner, to be excessive or inadequate, the General Partner may elect, but shall not be obligated, to pay the Withdrawn Partner or his estate such excess, or to charge the Withdrawn Partner or his estate such deficiency, as the case may be.

(l) Any amounts owed by the Withdrawn Partner to the Partnership at any time on or after the Settlement Date (*e.g.* , outstanding Partnership loans or advances to such Withdrawn Partner) shall be offset against any amounts payable or distributable by the Partnership to the Withdrawn Partner at any time on or after the Settlement Date or shall be paid by the Withdrawn Partner to the Partnership, in each case as determined by the General Partner. All cash amounts payable by a Withdrawn Partner to the Partnership under this Section 6.5 shall bear interest from the due date to the date of payment at a floating rate equal to the lesser of (x) the rate of interest publicly announced from time to time by JPMorgan Chase Bank in New York City, as its prime rate and (y) the maximum rate of interest permitted by applicable law. The "due date" of amounts payable by a Withdrawn Partner pursuant to Section 6.5(i) above shall be 120 days after a Withdrawn Partner's Settlement Date. The "due date" of amounts payable to or by a Withdrawn Partner in respect of Investments for which the Withdrawn Partner has retained a percentage interest in accordance with paragraph (f) above shall be 120 days after realization with respect to such Investment. The "due date" of any other amounts payable by a Withdrawn Partner shall be 60 days after the date such amounts are determined to be payable.

(m) At the time of the settlement of any Withdrawn Partner's interest in the Partnership pursuant to this Section 6.5, the General Partner may, to the fullest extent permitted by applicable law, impose any restrictions it deems appropriate on the assignment, pledge, encumbrance or other transfer by such Withdrawn Partner of any interest in any Investment retained by such Withdrawn Partner, any securities or other investments distributed in kind to such Withdrawn Partner or such Withdrawn Partner's right to any payment from the Partnership.

(n) If a Partner is required to Withdraw from the Partnership for Cause pursuant to Section 6.2(d), then his Interest shall be settled in accordance with paragraphs (a)-(q) of this Section 6.5; provided , however , that the General Partner may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement:

(i) In settling the Withdrawn Partner's interest in any Investment in which he has an interest as of his Settlement Date, the General Partner may elect to (A) determine the Unrealized Net Income (Loss) attributable to each such Investment as of the Settlement Date and allocate to the appropriate capital account of the Withdrawn Partner his allocable share of such Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Partner's capital account pursuant to clause (x) of paragraph (e) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his capital account or portion thereof attributable to each such Investment as of his Settlement Date without giving effect to the Unrealized Net Income (Loss) from such Investment as of his Settlement Date, which shall be forfeited by the Withdrawn Partner or (C) apply the provisions of paragraph (f) above, provided , that the maximum amount of Net Income (Loss) allocable to such Withdrawn Partner with respect to any Investment shall equal such Partner's percentage interest of the Unrealized Net Income, if any, attributable to such Investment as of the Settlement Date (the balance of such Net Income (Loss),

if any, shall be allocated as determined by the General Partner). The Withdrawn Partner shall not have any continuing interest in any Investment to the extent an election is made pursuant to (A) or (B) above.

(ii) Any amounts payable by the Partnership to the Withdrawn Partner pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment in full of claims of all present or future creditors of the Partnership or any successor thereto arising out of matters occurring prior to or on or after the applicable date of payment or distribution.

(o) The payments to a Withdrawn Partner pursuant to this Section 6.5 may be conditioned on the compliance by such Withdrawn Partner with any lawful and reasonable (under the circumstances) restrictions against engaging or investing in a business competitive with that of the Partnership or any of its subsidiaries and affiliates for a period not exceeding two years determined by the General Partner. Upon written notice to the General Partner, any Withdrawn Partner who is subject to noncompetition restrictions established by the General Partner pursuant to this paragraph (o) may elect to forfeit the principal amount payable in the final installment of his subordinated promissory note under paragraph (k) above, together with interest to be accrued on such installment after the date of forfeiture, in lieu of being bound by such restrictions.

(p) In addition to the foregoing, the General Partner shall have the right to pay a Withdrawn Partner (other than the General Partner) a discretionary additional payment in an amount and based upon such circumstances and conditions as it determines to be relevant. The provisions of this Section 6.5 shall apply to any Investor Limited Partner relating to a Limited Partner and to any transferee of any interest of such Partner pursuant to Section 6.3 if such Partner Withdraws from the Partnership.

(q) The Partnership will assist a Withdrawn Partner or his estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his estate.

(r) The Partnership may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Partners or their estates or guardians, as referred to above. In such instances, the Partnership will obtain the prior approval of a Withdrawn Partner or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his estate or guardian) declines to incur such costs, the Partnership will provide such reasonable assistance as and when it can so as not to interfere with the Partnership's day-to-day operating, financial, tax and other related responsibilities to the Partnership and the Partners.

(s) Each Limited Partner hereby irrevocably appoints the General Partner as such Limited Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Limited Partner's name, place and stead, to make, execute, sign and file, on behalf of such Limited Partner, any and all agreements, instruments, consents, ratifications, documents and certificates which the General Partner deems necessary or advisable in connection with any transaction or matter contemplated by or provided for in Section 3.3. or this Section 6.5, including, without limitation, the performance of any obligation of such Limited Partner or the Partnership or the exercise of any right of such Limited Partner or the Partnership. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Partnership of any Limited Partner for any reason and shall not be affected by the death, disability or incapacity of such Limited Partner.

6.6. [Intentionally omitted] .

6.7. Termination of Partnership . The General Partner may dissolve the Partnership at any time on not less than 60 days' notice of the dissolution date given to the other Partners. Upon the dissolution of the Partnership, the Partners' respective interests in the Partnership shall be valued and settled in accordance with the procedures set forth in Sections 5.9 and 6.5 which provide for allocations to the capital accounts of the Partners and distributions in accordance with the capital account balances of the Partners.

6.8. Certain Tax Matters . (a) All items of income, gain, loss, deduction and credit of the Partnership shall be allocated among the Partners for U.S. Federal, state and local income tax purposes in the same manner as such items of income, gain, loss, deduction and credit shall be allocated among the Partners pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. To the extent U.S. Treasury Regulations promulgated pursuant to Subchapter K of the Code (including under Sections 704(b) and (c) of the Code) or other applicable law require allocations for tax purposes that differ from the foregoing allocations, the General Partner may determine the manner in which such tax allocations shall be made so as to comply more fully with such Treasury Regulations or other applicable law and, at the same time, preserve the economic relationships among the Partners as set forth in this Agreement. In the event there is a net decrease in partnership minimum gain or partner nonrecourse debt minimum gain (determined in accordance with the principles of Regulations Sections 1.704-2(d) and 1.704-2(i)) during any Partnership taxable year, each Partner shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to its respective share of such net decrease during such year, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(f). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Regulations Section 1.704-1(b)(2)(ii)(d).

(b) The General Partner shall cause to be prepared all U.S. Federal, state and local tax returns of the Partnership for each year for which such returns are required to be filed and, after approval of such returns by the General Partner, shall cause such returns to be timely filed. The General Partner shall determine the appropriate treatment of each item of income, gain, loss, deduction and credit of the Partnership and the accounting methods and conventions under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of any such item or any other method or procedure related to the preparation of such tax returns. The General Partner may cause the Partnership to make or refrain from making any and all elections permitted by such tax laws. Each Partner agrees that he shall not, unless he provides prior notice of such action to the Partnership, (i) treat, on his individual income tax returns, any item of income, gain, loss, deduction or credit relating to his interest in the Partnership in a manner inconsistent with the treatment of such item by the Partnership as reflected on the Form K-1 or other information statement furnished by the Partnership to such Partner for use in preparing his income tax returns or (ii) file any claim for refund relating to any such item based on, or which would result in, such inconsistent treatment. In respect of an income tax audit of any tax return of the Partnership, the filing of any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Partnership, or any administrative or judicial proceedings arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, (A) the Tax Matters Partner (as defined below) shall be authorized to act for, and his decision shall be final and binding upon, the Partnership and all Partners except to the extent a Partner shall properly elect to be excluded from such proceeding pursuant to the Code, (B) all expenses incurred by the Tax Matters Partner in connection therewith (including, without limitation, attorneys', accountants' and other experts' fees and disbursements) shall be expenses of the Partnership and (C) no Partner shall have the right to (1) participate in the audit of any Partnership tax return, (2) file any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Partnership (unless he provides prior notice of such action to the Partnership as provided above), (3) participate in any administrative or judicial proceedings conducted by

the Partnership or the Tax Matters Partner arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, or (4) appeal, challenge or otherwise protest any adverse findings in any such audit conducted by the Partnership or the Tax Matters Partner or with respect to any such amended return or claim for refund filed by the Partnership or the Tax Matters Partner or in any such administrative or judicial proceedings conducted by the Partnership or the Tax Matters Partner. The Partnership and each Partner hereby designate any Partner selected by the General Partner as the "tax matters partner" for purposes of Section 6231(a)(7) of the Code (the " *Tax Matters Partner* "). To the fullest extent permitted by applicable law, each Partner agrees to indemnify and hold harmless the Partnership and all other Partners from and against any and all liabilities, obligations, damages, deficiencies and expenses resulting from any breach or violation by such Partner of the provisions of this Section 6.8 and from all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees and disbursements, incident to any such breach or violation.

(c) Each individual Partner shall provide to the Partnership copies of each U.S. Federal, state and local income tax return of such Partner (including any amendment thereof) within 30 days after filing such return.

6.9. Special Basis Adjustments . In connection with any assignment or transfer of a Partnership interest permitted by the terms of this Agreement, the General Partner may cause the Partnership, on behalf of the Partnership and at the time and in the manner provided in Regulations Section 1.754-1(b), to make an election to adjust the basis of the Partnership's property in the manner provided in Sections 734(b) and 743(b) of the Code.

ARTICLE VII

DISSOLUTION

7.1. Dissolution . The Partnership shall be dissolved and subsequently terminated:

(a) pursuant to Section 6.7;

(b) upon the expiration of the Term; or

(c) upon the occurrence of a Disabling Event with respect to a General Partner or any other event causing a dissolution of the Partnership under the Partnership Act; provided that the Partnership will not be dissolved or required to be wound up in connection with a Disabling Event with respect to a General Partner if: (i) at the time of the occurrence of such event there is at least one other general partner of the Partnership who is hereby authorized to, and elects to, carry on the business of the Partnership; or (ii) all remaining Partners consent to the continuation of the business of the Partnership within 90 days following the occurrence of any such event, which consent will not be withheld by any Limited Partner if a Majority of the Remaining Partners agree in writing to so continue the business of the Partnership. A " *Majority of Remaining Partners* " means remaining Partners who, as of the date of such consent, have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the remaining Partners.

7.2. Final Distribution . Within 120 calendar days after the effective date of dissolution of the Partnership, the assets of the Partnership shall be distributed in the following manner and order:

(i) to the payment of the expenses of the winding-up, liquidation and dissolution of the Partnership;

(ii) to pay all creditors of the Partnership, other than Partners, either by the payment thereof or the making of reasonable provision therefor;

(iii) to establish reserves, in amounts established by the General Partner or such liquidator, to meet other liabilities of the Partnership; and

(iv) to pay, in accordance with the terms agreed among them and otherwise on a *pro rata* basis, all creditors of the Partnership that are Partners, either by the payment thereof or the making of reasonable provision therefor.

The remaining assets of the Partnership shall be applied and distributed among the Partners in accordance with the procedures set forth in 6.5 which provide for allocations to the capital accounts of the Partners and distributions in accordance with the capital account balances of the Partners. For purposes of the application of this Section 7.2 and determining capital accounts on liquidation, all unrealized gains, losses and accrued income and deductions of the Partnership shall be treated as realized and recognized immediately before the date of distribution.

7.3. No Obligation to Restore Capital Accounts . Except as provided in Sections 4.1 and 5.8(d), or in the case of unrecouped advances pursuant to Section 5.8(b) or as otherwise provided herein and as may otherwise be required by law, no Partner whose capital account balance is a negative or deficit amount (either during the existence of the Partnership or upon liquidation) shall have any obligation to return any amounts previously distributed to such Partner or to contribute cash or other assets to the Partnership to restore or make up the deficit in such Partner's impaired capital account.

ARTICLE VIII

MISCELLANEOUS

8.1. Submission to Jurisdiction; Waiver of Jury Trial .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the General Partner may bring, or may cause the Partnership to bring, on behalf of the General Partner or the Partnership or on behalf of one or more Partners, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Partner (i) expressly consents to the application of paragraph (c) of this Section 8.1 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the General Partner as such Partner's agent for service of process in connection with any such action or proceeding and agrees that service of process upon any such agent, who shall promptly advise such Partner of any such service of process, shall be deemed in every respect effective service of process upon the Partner in any such action or proceeding.

(c) (i) EACH PARTNER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 8.1, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the forum(s) designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 8.1 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 8.1 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq .) (the " Delaware Arbitration Act "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 8.1, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 8.1. In that case, this Section 8.1 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 8.1 shall be construed to omit such invalid or unenforceable provision.

8.2. Ownership and Use of the Firm Name . Notwithstanding anything in this Agreement to the contrary, the Partnership acknowledges that Blackstone Financial Services Inc. ("BFS"), a Delaware corporation with a principal place of business at 345 Park Avenue, New York, New York 10154, (or is successors or assigns) is the sole and exclusive owner of the mark and name BLACKSTONE and that the ownership of, and the right to use, sell or otherwise dispose of, the firm name or any abbreviation or modification thereof which consists of or includes BLACKSTONE, shall belong exclusively to BFS, which company (or its predecessors, successors or assigns) has licenses the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that BFS owns the service mark BLACKSTONE for various services and that the Partnership is using the BLACKSTONE mark and name on a non-exclusive, royalty free basis in connection with its authorized activities with the permission of BFS. All services rendered by the Partnership under the BLACKSTONE mark and name will be rendered in a manner consistent with the high reputation heretofore developed for the BLACKSTONE mark by BFS and its affiliates and licensees. The Partnership understands that BFS may terminate its right to use BLACKSTONE at any time in BFS' sole discretion by giving the Partnership written notice of termination. Promptly following any such termination, the Partnership will take all steps necessary to change its partnership name to one which does not include BLACKSTONE or any confusingly similar term and cease all use of BLACKSTONE or any term confusingly similar thereto as a service mark or otherwise.

8.3. Written Consent . Any action required or permitted to be taken by a vote of Partners at a meeting may be taken without a meeting if a Majority in Interest of the Partners consent thereto in writing.

8.4. Letter Agreements; Schedules . The General Partner may, or may cause the Partnership to, enter into separate letter agreements with certain Partners with respect to Profit Sharing Percentages or any other matter, in each case on terms and conditions not inconsistent with this Agreement; provided that, notwithstanding the foregoing, any terms of this Agreement may be made subject to any such letter agreements to the extent provided elsewhere herein. If required by applicable law, such separate letter agreements, or any provision thereof or information contained therein, shall be filed, or disclosed in a Certificate filed, in accordance with the Partnership Act. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances and Profit Sharing Percentages of the Partners and any other matters deemed appropriate by the General Partner. Such Schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

8.5. Governing Law . This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, Canada, without regard to conflicts of law principles. In particular, the Partnership is formed pursuant to the Partnership Act, and the mutual rights, duties and liabilities of the General Partner and Limited Partners (including the Special Limited Partners) shall be as provided therein, except as herein otherwise expressly provided. If any provision of this Agreement shall be held to be invalid, such provision shall be given its meaning to the maximum extent permitted by law and the remainder of this Agreement shall not be affected thereby.

8.6. Successors and Assigns; Third Party Beneficiaries . This Agreement shall be binding upon and shall, subject to the penultimate sentence of Section 6.3, inure to the benefit of the parties hereto, their respective heirs and personal representatives, and any successor to a trustee of a trust which is or becomes a party hereto; provided that no person claiming by, through or under a Partner (whether such Partner's heir, personal representative or otherwise), as distinct from such Partner itself, shall have any rights as, or in respect to, a Partner (including the right to approve or vote on any matter or to notice thereof) except the right to receive only those distributions expressly payable to such person pursuant to Article VI. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net Recontribution Amounts) of any transferee of all or any portion of such Partner's or Withdrawn Partner's interest in the Partnership, unless waived by the General Partner in accordance with applicable law. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standard set forth in Section 5.8(d)(ii)(A), to pursue such transferee, pursue payment (including any Net Recontribution Amounts) from the transferee with respect to any such obligations. Nothing in this Agreement is intended, nor shall anything herein be construed, to confer any rights, legal or equitable, on any person other than the Partners and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, the provisions of Sections 5.8(d)(i) and (iii) shall inure to the benefit of the limited partners or other investors in BREP International II, and such limited partners or investors shall have the right to enforce the provisions thereof to the extent the Partnership does not otherwise do so.

8.7. Partner's Will . Each Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligations relating to the Partnership that is satisfactory to the General Partner and each such Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Partner's or Withdrawn Partner's Interest is transferred shall include a provision substantially similar to such provision and the trustee of such trust shall confirm annually to the Partnership, in writing, that such provision or its substantial equivalent remains in such trust. In the event any Partner or Withdrawn Partner fails to comply with the provisions of this Section 8.7 after the Partnership has notified such Partner or Withdrawn Partner of his failure to so comply and such failure to so comply is not cured within 30 days of such notice, the Partnership may withhold any and all distributions to such Partner until the time at which such party complies with the requirements of this Section 8.7.

8.8. Confidentiality . By executing this Agreement, each Partner expressly agrees, at all times during the term of the Partnership and thereafter and whether or not at the time a Partner of the Partnership, to maintain the confidentiality of, and not to disclose to any person other than the Partnership, another Partner or a person designated by the Partnership, any information relating to the business, financial structure, financial position or financial results, clients or affairs of the Partnership that shall not be generally known to the public or the securities industry, except as otherwise required by law or by any regulatory or self-regulatory organization having jurisdiction; provided, however, that any corporate Partner may disclose any such information it is required by law, rule, regulation or custom to disclose.

8.9. Notices . Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including telecopy or similar writing) and shall be given by hand delivery (including any courier service) or telecopy to any Partner at its address or telecopy number shown in the Partnership's books and records or, if given to the General Partner or the Partnership, at the address or telecopy number of the Partnership in New York City. Each such notice shall be effective (i) if given by telecopy, upon dispatch, and (ii) if given by hand delivery, when delivered to the address of such Partner, the General Partner or the Partnership specified as aforesaid.

8.10. Counterparts . This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument.

8.11. Power of Attorney . Each Partner hereby irrevocably appoints each General Partner as such Partner's true and lawful representative and attorney-in-fact, acting alone, in such Partner's name, place and stead, to make, execute, sign and file all instruments, documents and certificates which, from time to time, may be required to set forth any amendment to this Agreement or may be required by this Agreement or by the laws of Canada, the Province of Alberta or any other jurisdiction in which the Partnership shall determine to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Partnership. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the subsequent Withdrawal from the Partnership of any Partner for any reason and shall not be affected by the disability or incapacity of such Partner.

8.12. Cumulative Remedies . Rights and remedies under this Agreement are cumulative and do not preclude use of other rights and remedies available under applicable law.

8.13. Legal Fees . Except as more specifically provided herein, in the event of a legal dispute (including litigation, arbitration or mediation) between any Partner or Withdrawn Partner and the Partnership, arising in connection with any party seeking to enforce Section 4.1 (d) or any other provision of this Agreement relating to the Holdback, the Clawback Amount, the Giveback Amount or the Recontribution Amount, the "losing" party to such dispute shall promptly reimburse the "victorious party" for all reasonable legal fees and expenses incurred in connection with such dispute (such determination to be made by the relevant adjudicator). Any amounts due under this Section 8.13 shall be paid within 30 days of the date upon which such amounts are due to be paid and such amounts remaining unpaid after such date shall accrue interest at the Default Rate.

8.14. Entire Agreement . This Agreement between the initial limited partner of the Partnership and the General Partner embody the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein or in the Instrument. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein or in the Instrument. Subject to Section 8.4, this Agreement and the Instrument supersede all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written. In the event that it is impracticable to obtain the signature of any of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNER:

BREA INTERNATIONAL (CAYMAN) II LTD.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Director

LIMITED PARTNERS:

BLACKSTONE HOLDINGS V L.P.

By: Blackstone Holdings V GP L.P, its General Partner

By: Blackstone Holdings V GP Management (Delaware) L.P., its general partner

By: Blackstone Holdings V GP Management L.L.C., its general partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Authorized Person

All other Limited Partners now and hereafter admitted pursuant to powers of attorney now and hereafter granted to the General Partner

By: BREA INTERNATIONAL (CAYMAN) II LTD.

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Director

Exhibit 10.15

BLACKSTONE MANAGEMENT ASSOCIATES IV L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

DATED AS OF MAY 31, 2007

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BLACKSTONE MANAGEMENT ASSOCIATES IV L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT of Blackstone Management Associates IV L.L.C. (the " Company "), dated as of May 31, 2007, by and among Blackstone Holdings III L.P., a Delaware limited partnership (the " Managing Member " or " Holdings "), the other members of the Company as provided on the signature pages hereto, and such other persons that are admitted to the Company as members after the date hereof in accordance herewith.

W I T N E S S E T H

WHEREAS, the Company was formed under the LLC Act (defined below) pursuant to a certificate of formation filed in the office of the Secretary of State of the State of Delaware on August 16, 2001;

WHEREAS, the original limited liability company agreement of the Company was executed as of August 16, 2001 (the " Original Operating Agreement ");

WHEREAS, the Original Operating Agreement was amended and restated in its entirety by the Amended and Restated Limited Liability Company Agreement, dated as of November 9, 2001, of the Company, (as amended to date, the " First Amended and Restated Operating Agreement "); and

WHEREAS, the parties hereto now wish to amend and restate the First Amended and Restated Operating Agreement in its entirety as of the date hereof and as more fully set forth below.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1. Definitions . Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

" Agreement " means this Second Amended and Restated Limited Liability Company Agreement, as it may be further amended and restated from time to time.

" Alternative Vehicle " means any investment vehicle or structure formed pursuant to paragraph 2.7 of the BCP IV Partnership Agreement or any other "Alternative Vehicle" (as defined in any other BCP IV Agreements).

" Applicable Collateral Percentage " shall have the meaning with respect to any Firm Collateral and any Special Firm Collateral, in each case, as set forth in the books and records of the Company with respect thereto.

" BCA IV " means Blackstone Capital Associates IV L.P., a Delaware limited partnership, and any other partnership or other entity with terms substantially similar to the terms of that partnership and formed after the date hereof in connection with the indirect participation by one or more partners thereof who receive Carried Interest.

" BCA IV Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Capital Associates IV L.P., dated as of the date hereof, as it may be amended from time to time.

" BCCP IV " means Blackstone Capital Commitment Partners IV L.P., a Delaware limited partnership and a capital partner in BCP IV.

" BCP " means Blackstone Capital Partners L.P., a Delaware limited partnership, and any investment vehicle established in accordance with the terms of Blackstone Capital Partners L.P.'s partnership agreement to invest in lieu of Blackstone Capital Partners L.P. on behalf of one or more of the partners thereof.

" BCP II " means Blackstone Capital Partners II Merchant Banking Fund L.P., a Delaware limited partnership, any investment vehicle established pursuant to paragraph 2.7 of such partnership's partnership agreement, Blackstone Offshore Capital Partners II L.P., a Cayman Islands exempted limited partnership, and any investment vehicle established pursuant to paragraph 2.7 of such partnership's partnership agreement.

" BCP III " means Blackstone Capital Partners III Merchant Banking Fund L.P., a Delaware limited partnership, Blackstone Offshore Capital Partners III L.P., a Cayman Islands exempted limited partnership, and any investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreement of either of such partnerships.

" BCP IV " is the collective reference to Blackstone Capital Partners IV L.P., a Delaware limited partnership, and any Alternative Vehicle relating thereto and any Parallel Fund.

" BCP IV Agreements " is the collective reference to the BCP IV Partnership Agreement and any agreement of any Parallel Fund and the similar agreements of any Alternative Vehicles.

" BCP IV Investment " means the Company's interest in a specific BCP IV investment pursuant to the BCP IV Agreements in its capacity as the general partner of BCP IV, but does not include any direct investment by the Company on a side-by-side basis in any BCP IV investment.

" BCP IV Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Capital Partners IV L.P., dated as of the date hereof, as it may be amended from time to time.

" BFIP IV " means collectively, Blackstone Family Investment Partnership IV - A L.P. and Blackstone Family Investment Partnership IV - B L.P., each a Delaware limited partnership.

" Blackstone Capital Commitment " has the meaning set forth in the BCP IV Agreements.

" Blackstone Co-Investment Rights " has the meaning set forth in the BCP IV Agreements.

" Carried Interest " shall mean (i) " Carried Interest Distributions " as defined in the BCP IV Partnership Agreement, and (ii) any other carried interest distribution to a Fund GP pursuant to any BCP IV Agreement. In the case of each of (i) and (ii) above, except as determined by the Managing Member, the amount shall not be less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto (in each case which the Managing Member may allocate amongst all or any portion of the Investments as it determines in good faith is appropriate).

" Carried Interest Give Back Percentage " shall mean, for any Member or Withdrawn Member, subject to Section 5.8(e), the percentage determined by dividing (A) the aggregate amount of distributions received by such Member or Withdrawn Member from the Company or any Other Fund GPs in respect of Carried Interest by (B) the aggregate amount of distributions made to all Members, Withdrawn Members or any other person by the Company or any Other Fund GP in respect of Carried Interest. For purposes of determining "Carried Interest Give Back Percentage" hereunder, all Trust Amounts contributed to the Trust by the Company or any Other Fund GPs on behalf of a Member or Withdrawn Member (but not the Trust Income thereon) shall be deemed to have been initially distributed or paid to the Members and Withdrawn Members as members of the Company or any of the Other Fund GPs.

" Carried Interest Sharing Percentage " means, with respect to each Investment, the percentage interest of a Member in Carried Interest from such Investment set forth in the books and records of the Company.

" Cause " means the occurrence or existence of any of the following with respect to any Member, as determined fairly, reasonably, on an informed basis and in good faith by the Managing Member: (i) (w) any breach by any Member of any provision of any non-competition agreement, (x) any material breach of this Agreement or any rules or regulations applicable to such Member that are established by the Managing Member, (y) such Member's deliberate failure to perform his or her duties to the Company, or (z) such Member's committing to or engaging in any conduct or behavior that is or may be harmful to the Company in a material way as determined by the Managing Member; *provided*, that in the case of any of the foregoing clauses (w), (x), (y) and (z), the Managing Member has given such Member written notice (a "Notice of Breach") within fifteen days after the Managing Member becomes aware of such action and such Member fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt of such Notice of Breach from the Managing Member (or such longer period, not to exceed an additional fifteen days, as shall be reasonably required for such cure, provided that such Member is diligently pursuing such cure); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Company; or (iii) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a regulatory body or by a self-regulatory body having authority with respect to securities laws, rules or regulations of the applicable securities industry, that such Member individually has violated any applicable securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Member's ability to function as a Member of the Company, taking into account the services required of such Member and the nature of the Company's business, or (B) the business of the Company.

" Charitable Organization " means an organization described in Section 170(c) of the Code (without regard to Section 170(c)(2)(A) thereof).

" Class A Interest " has the meaning set forth in Section 5.8(a)(i).

" Class B Interest " has the meaning set forth in Section 5.8(a)(i).

" Clawback Amount " shall mean the "Clawback Amount " as set forth in Article One of the BCP IV Partnership Agreement and any other clawback amount payable to the limited partners of BCP IV pursuant to any BCP IV Agreement, as applicable.

" Clawback Adjustment Amount " has the meaning set forth in Section 5.8(e).

" Clawback Provisions " shall mean paragraph 9.2.8 of the BCP IV Partnership Agreement and any other similar provisions in any other BCP IV Agreement existing heretofore or hereafter entered into.

" Code " means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute. Any reference herein to a particular provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

" Commitment ", with respect to any Member, has the meaning set forth in such Member's Commitment Agreement or SMD Agreement.

" Commitment Agreements " means the agreements between the Company and the Members, pursuant to which each Member undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 hereof. The Commitment Agreements are hereby incorporated by reference as between the Company and the relevant Member.

" Company " has the meaning set forth in the preamble hereto.

" Contingent " means subject to repurchase rights and/or other requirements.

" Deceased Member " shall mean any Member or Withdrawn Member who has died or who suffers from Incompetence. For purposes hereof, references to a Deceased Member shall refer collectively to the Deceased Member and the estate and heirs or legal representative of such Deceased Member, as the case may be, that have received such Deceased Member's interest in the Company.

" Defaulting Party " has the meaning set forth in Section 5.8(d).

" Default Interest Rate " shall mean the lower of (i) the sum of (a) the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, a New York banking corporation, as its prime rate and (b) 5%, or (ii) the highest rate of interest permitted under applicable law.

" Deficiency Contribution " has the meaning set forth in Section 5.8(d)(ii)(A).

" Disposable Investment " has the meaning set forth in Section 5.8(a)(i).

" Estate Planning Vehicle " has the meaning set forth in Section 6.3.

" Excess Holdback " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Holdback Percentage " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Tax-Related Amount " has the meaning set forth in Section 5.8(e)(i)(C).

" Existing Member " shall mean any Member who is neither a Retaining Withdrawn Member nor a Deceased Member.

" Firm Collateral " shall mean a Member's or Withdrawn Member's interest in one or more partnerships or limited liability companies, in either case affiliated with the Company, and certain other assets of such Member or Withdrawn Member, in each case that has been pledged or made available to the Trustee(s) to satisfy all or any portion of the Excess Holdback of such Member or Withdrawn Member as more fully described in the books and records of the Company; provided , that for all purposes hereof (and any other agreement (e.g. , the Trust Agreement) that incorporates the meaning of the term "Firm Collateral" by reference), references to "Firm Collateral" shall include "Special Firm Collateral", excluding references to "Firm Collateral" in Sections 4.1(d)(v)-(viii).

" Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(v)(B) with respect to Firm Collateral, and Section 4.1(d)(vii)(B) with respect to Special Firm Collateral.

" Fiscal Year " shall mean a calendar year, or any other period chosen by the Managing Member.

" Fund GP " means the Company and the Other Fund GPs.

" GAAP " has the meaning specified in Section 5.1.

" Giveback Amount " shall mean the aggregate of the "Investment - Related Giveback Amount" and "Other Giveback Amount" as such terms are defined in the BCP IV Partnership Agreement.

" Giveback Provisions " shall mean paragraph 3.4.3 of the BCP IV Partnership Agreement and any other similar provisions in any other BCP IV Agreement existing heretofore or hereafter entered into.

" Holdback " has the meaning set forth in Section 4.1(d)(i).

" Holdback Percentage " has the meaning set forth in Section 4.1(d)(i).

" Holdback Vote " has the meaning set forth in Section 4.1(d)(iv)(A).

" Holdings " has the meaning set forth in the preamble hereto.

" Incompetence " means, with respect to any Member, the determination by the Managing Member in its sole discretion, after consultation with a qualified medical doctor, that such Member is incompetent to manage his person or his property.

" Inflation Index " means (i) the GNP deflator, which is the fixed-weighted price index representing the average change in the United States gross national product as published in the Survey of Current Business by the National Income and Wealth Division of the Bureau of Economic Analysis of the U.S. Department of Commerce, or (ii) such other index measuring changes in economic prices in the United States as shall be selected by the Managing Member.

" Initial Holdback Percentages " has the meaning set forth in Section 4.1(d)(i).

" Interest " means a limited liability company interest (as defined in § 18-101(8) of the LLC Act) in the Company, including those that are held by a Retaining Withdrawn Member.

" Investment " means any investment (direct or indirect) of the Company designated by the Managing Member from time to time as an investment in which the Members' respective interests shall be established and accounted for on a basis separate from the Company's other businesses, activities and investments, including any BCP IV Investments.

" Investor Special Member " means any Special Member so designated at the time of its admission by the Managing Member as a Member of the Company.

" L/C " has the meaning set forth in Section 4.1(d)(vi).

" L/C Member " has the meaning set forth in Section 4.1(d)(vi).

" LLC Act " means the Delaware Limited Liability Company Act, 6 Del.C. § 18-101, et seq. , as it may be amended from time to time, and any successor to such Act.

" Loss Amount " has the meaning set forth in Section 5.8(e).

" Loss Investment " has the meaning set forth in Section 5.8(e).

" Losses " has the meaning set forth in Section 3.5(b).

" Majority in Interest of the Members " on any date (a "vote date") means one or more persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date and who, as of the last day of the most recent accounting period ending on or prior to the vote date (or as of such later date on or prior to the vote date selected by the Managing Member as of which the Members' capital account balances can be determined), have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date.

" Managing Member " has the meaning specified in the preamble hereto.

" Member " means any person who is a member of the Company, including the Regular Members, the Managing Member and the Special Members. Except as otherwise specifically provided herein, no group of Members, including the Special Members and any group of Members in the same Member Category, shall have any right to vote as a class on any matter relating to the Company, including, but not limited to, any merger, reorganization, dissolution or liquidation.

" Member Category " shall mean the Managing Member, Existing Members, Retaining Withdrawn Members or Deceased Members, each referred to as a group for purposes hereof.

" Moody's " means Moody's Investors Services, Inc., or any successor thereto.

" Net Carried Interest Distribution " has the meaning set forth in Section 5.8(e).

" Net Carried Interest Distribution Recontribution Amount " has the meaning set forth in Section 5.8(e).

" Net Income (Loss) " has the meaning set forth in Section 5.1(a).

" Net Recontribution Amount " has the meaning set forth in Section 5.8(d)(i)(A).

" Non-Contingent " means generally not subject to repurchase rights or other requirements.

" Non-Carried Interest " means, with respect to each Investment, all amounts of distributions, other than Carried Interest, received by the Company with respect to such Investment, less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto, in each case which the Managing Member may allocate to all or any portion of the Investments as it may determine in good faith is appropriate.

" Non-Carried Interest Sharing Percentage " means, with respect to each Investment, the percentage interest of a Member in Non-Carried Interest from such Investment set forth in the books and records of the Company.

" Nonvoting Special Member " has the meaning set forth in Section 6.1(a).

" Other Fund GPs " means any entity (other than the Company) through which any Member or Withdrawn Member directly receives any amounts of Carried Interest and any successor thereto; provided , that this includes BCA IV and any other entity which has in its organizational documents a provision which indicates that it is a "Fund GP" or an "Other Fund GP"; provided further , that notwithstanding any of the foregoing, none of Holdings, the general partner of BCA IV, any estate planning vehicle established for the benefit of family members of any Member or any partner of BCA IV shall be considered a "Fund GP" for purposes hereof.

" Parallel Fund " means any additional collective investment vehicles (or other similar arrangements) formed pursuant to paragraph 2.8 of the BCP IV Partnership Agreement.

" Profit Sharing Percentage " means the "Carried Interest Sharing Percentage" and "Non-Carried Interest Sharing Percentage" of each Member; provided , that any references in this Agreement to Profit Sharing Percentages made (a) in connection with voting or voting rights or (b) capital contributions with respect to Investments (including Section 5.3(c)) shall mean the "Non-Carried Interest Sharing Percentage" of each Member; provided further , that any reference in this Agreement to Profit Sharing Percentages that specifically refers to Net Income unrelated to BCP IV shall continue to refer to the amount of each Member's percentage interest in a category of Net Income (Loss) established by the Managing Member from time to time pursuant to Section 5.3

" Qualifying Fund " means any fund designated by the Managing Member as a "Qualifying Fund".

" Recontribution Amount " has the meaning set forth in Section 5.8(d).

" Regular Member " shall mean any Member, excluding the Managing Member and any Special Member.

" Repurchase Period " has the meaning set forth in Section 5.8(b).

" Required Amounts " has the meaning set forth in Section 4.1(a).

" Required Rating " has the meaning set forth in Section 4.1(d)(vi).

" Retaining Withdrawn Member " shall mean a Withdrawn Member who has retained an Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Member shall be considered a Nonvoting Special Member for all purposes hereof.

" Settlement Date " has the meaning set forth in Section 6.5(a).

" SMD Agreements " means the agreements between the Company and/or one or more of its affiliates and the Members, pursuant to which each Member undertakes certain obligations with respect to the Company and/or its affiliates. The SMD Agreements are hereby incorporated by reference as between the Company and the relevant Member.

" Special Firm Collateral " means interests in a Qualifying Fund or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) as more fully described in the books and records of the Company.

" Special Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(vii)(B).

" Special Member " means any person shown on the books and records of the Company as a Special Member of the Company, including any Nonvoting Special Member, and any Investor Special Member.

" S&P " means Standard & Poor's Ratings Group, and any successor thereto.

" Subject Investment " has the meaning set forth in Section 5.8(d)(i).

" Total Disability " means the inability of a Member substantially to perform the services required of a Regular Member for a period of six consecutive months by reason of physical or mental illness or incapacity and whether arising out of sickness, accident or otherwise.

" Trust Account " has the meaning set forth in the Trust Agreement.

" Trust Agreement " means the Trust Agreement, dated as of November 9, 2001, as amended to date, among the Members, the Trustee(s) and certain other persons that may receive distributions in respect of or relating to Carried Interest from time to time.

" Trust Amount " has the meaning set forth in the Trust Agreement.

" Trust Income " has the meaning set forth in the Trust Agreement.

" Trustee(s) " has the meaning set forth in the Trust Agreement.

" Unallocated Percentage " has the meaning set forth in Section 5.3(b).

" Unadjusted Carried Interest Distribution " has the meaning set forth in Section 5.8(d)(i)(B).

" Unrealized Net Income (Loss) " attributable to any BCP IV Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such BCP IV Investment if BCP IV's entire portfolio of investments were sold on such date for cash in an amount equal to their aggregate value on such date (determined in accordance with Section 5.1(d)) and all distributions payable by BCP IV to the Company pursuant to the BCP IV Agreements with respect to such BCP IV Investment were made on such date. "Unrealized Net Income (Loss)" attributable to any other Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such Investment if such Investment were sold on such date for cash in an amount equal to its value on such date (determined in accordance with Section 5.1(d)).

" Withdraw " or " Withdrawal " with respect to a Member means a Member ceasing to be a member of the Company (except as a Retaining Withdrawn Member) for any reason (including death, disability, removal, resignation or retirement, whether such is voluntary or involuntary), unless the context shall limit the type of withdrawal to a specific reason, and "Withdrawn" with respect to a Member means, as aforesaid, a Member who has ceased to be a member of the Company.

" Withdrawal Date " has the meaning set forth in Section 6.5(a).

" Withdrawn Member " has the meaning set forth in Section 6.5(a).

1.2. Terms Generally . The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The term "person" includes individuals, partnerships (including limited liability partnerships), companies (including limited liability companies), joint ventures, corporations, trusts, governments (or agencies or political subdivisions thereof) and other associations and entities. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

GENERAL PROVISIONS

2.1. Managing, Regular and Special Members . The Members may be Managing Members, Regular Members or Special Members (including Investor Special Members). The Managing Member as of the date hereof is Holdings and the Regular Members as of the date hereof are those persons shown as Regular Members on the signature pages hereof, and the Special Members as of the date hereof are persons shown as Special Members on the signature pages hereof.

2.2. Formation; Name; Foreign Jurisdictions . The Company is hereby continued as a limited liability company pursuant to the LLC Act and shall continue to conduct its activities under the name of Blackstone Management Associates IV L.L.C. The certificate of formation of the Company may be amended and/or restated from time to time by the Managing Member, as an "authorized person" (within the meaning of the LLC Act). The Managing Member is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

2.3. Term . The term of the Company shall continue until December 31, 2051, unless earlier dissolved and its affairs wound up in accordance with this Agreement.

2.4. Purposes; Powers . (a) The purposes of the Company shall be, directly or indirectly through subsidiaries or affiliates, (i) to serve as a general partner of BCP IV and perform the functions of general partner specified in the BCP IV Agreements, (ii) to serve as a general partner or limited partner of other partnerships, including Alternative Vehicles and any Parallel Fund, (iii) to serve as the general partner of BFIP IV and perform the functions of the general partner specified in BFIP IV's partnership agreements, and serve as the general partner of BCCP IV and perform the functions of the general partner specified in BCCP IV's partnership agreement, (iv) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the Managing Member and as are permitted under the LLC Act and the BCP IV Agreements, and (v) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purpose, the Company shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, as principal or agent, including the following:

(i) to buy, sell and otherwise acquire investments, whether such investments are readily marketable or not;

(ii) to invest and reinvest the cash assets of the Company in money-market or other short-term investments;

(iii) to hold, receive, mortgage, pledge, lease, transfer, exchange or otherwise dispose of, grant options with respect to, and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to, all property held or owned by the Company;

(iv) to borrow or raise money from time to time and to issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and non-negotiable instruments and evidences of indebtedness, to secure payment of the principal of any such indebtedness and the interest thereon by mortgage, pledge, conveyance or assignment in trust of, or the granting of a security interest in, the whole or any part of the property of the Company, whether at the time owned or thereafter acquired, to guarantee the obligations of others and to buy, sell, pledge or otherwise dispose of any such instrument or evidence of indebtedness;

(v) to lend any of its property or funds, either with or without security, at any legal rate of interest or without interest;

(vi) to have and maintain one or more offices within or without the State of Delaware, and in connection therewith, to rent or acquire office space, engage personnel and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(vii) to open, maintain and close accounts, including margin accounts, with brokers;

(viii) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys;

(ix) to engage accountants, auditors, custodians, investment advisers, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate any of them as may be necessary or advisable;

(x) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, to form or cause to be formed and to participate in partnerships and joint ventures, whether foreign or domestic and to form or cause to be formed and be a member or manager or both of one or more limited liability companies;

(xi) to enter into, make and perform all contracts, agreements and other undertakings as may be necessary, convenient, advisable or incident to carrying out its purposes;

(xii) to sue and be sued, to prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment to claims against the Company, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xiii) to distribute, subject to the terms of this Agreement, at any time and from time to time to the Members cash or investments or other property of the Company, or any combination thereof; and

(xiv) to take such other actions necessary, desirable, convenient or incidental thereto and to engage in such other businesses as may be permitted under Delaware law.

2.5. Place of Business . The Company shall maintain a registered office at The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The Company shall maintain an office and principal place of business at such place or places as the Managing Member specifies from time to time and as set forth in the books and records of the Company. The name and address of the Company's registered agent is The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The Managing Member may from time to time change the registered agent or office by an amendment to the certificate of formation of the Company.

ARTICLE III

MANAGEMENT

3.1. Managing Member . (a) Holdings shall be an original managing member (the " Managing Member "). The Managing Member shall cease to be the Managing Member only if it (i) Withdraws from the Company for any reason, (ii) consents in its sole discretion to resign as the Managing Member, or (iii) becomes the subject of a Final Event (as defined in the BCP IV Agreements). The Managing Member may not be removed without its consent. There may be one or more Managing Members. In the event that one or more other Managing Members is admitted to the Company as such, all references herein to the "Managing Member" in the singular form shall be deemed to also refer to such other Managing Members as may be appropriate. The relative rights and responsibilities of such Managing Members will be as agreed upon from time to time between them.

(b) Upon the Withdrawal from the Company or voluntary resignation of the remaining Managing Member, all of the powers formerly vested therein pursuant to this Agreement and the LLC Act shall be exercised by a Majority in Interest of the Members.

3.2. Member Voting, etc .

(a) Meetings of the Members may be called only by the Managing Member.

(b) Except as otherwise expressly provided herein and except as may be expressly required by the LLC Act, Special Members as such shall have no right to, and shall not, take part in the management or control of the Company's business or act for or bind the Company, and shall have only the rights and powers granted to Special Members herein.

(c) To the extent any Member is entitled to vote with respect to any matter relating to the Company, such Member shall not be obligated to abstain from voting on any matter (or vote in any particular manner) because of any interest (or conflict of interest) of such Member (or any affiliate thereof) in such matter.

3.3. Management . The management, control and operation of the Company and the formulation and execution of business and investment policy shall be vested in the Managing Member. The Managing Member shall, in its discretion, exercise all powers necessary and convenient for the purposes of the Company, including those enumerated in Section 2.4, on behalf and in the name of the Company. All decisions and determinations (howsoever described herein) to be made by the Managing Member pursuant to this Agreement shall be made in its sole discretion, subject only to the express terms and conditions of this Agreement.

3.4. Responsibilities of Members . (a) Unless otherwise determined by the Managing Member in a particular case, each Regular Member shall devote substantially all his time and attention to the businesses of the Company and its affiliates, and each Special Member shall not be required to devote any time or attention to the businesses of the Company or its affiliates.

(b) All outside business or investment activities of the Members (including outside directorships or trusteeships) shall be subject to such rules and regulations as are established by the Managing Member from time to time.

(c) The Managing Member may from time to time establish such other rules and regulations applicable to Members or other employees as the Managing Member deems appropriate, including rules governing the authority of Members or other employees to bind the Company to financial commitments or other obligations.

3.5. Exculpation and Indemnification . (a) Liability to Members . Notwithstanding any other provision of this Agreement, whether express or implied, to the fullest extent permitted by law, no Member nor any of such Member's representatives, agents or advisors nor any partner, member, officer, employee, representative, agent or advisor of the Company or any of its Affiliates (individually, a " Covered Person " and collectively, the " Covered Persons ") shall be liable to the Company or any other Member for any act or omission (in relation to the Company, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) taken or omitted by a Covered Person (other than any act or omission constituting Cause), unless there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful. Each Covered Person shall be entitled to rely in good faith on the advice of legal counsel to the Company, accountants and other experts or professional advisors, and no action taken by any Covered Person in reliance on such advice shall in any event subject such person to any liability to any Member or the Company. To the extent that, at law or in equity, a Member has duties (including fiduciary duties) and liabilities relating thereto to the Company or to another Member, to the fullest extent permitted by law, such Member acting under this Agreement shall not be liable to the Company or to any such other Member for its good faith reliance on the provisions of this Agreement. The provisions of this

Agreement, to the extent that they expand or restrict the duties and liabilities of a Member otherwise existing at law or in equity, are agreed by the Members, to the fullest extent permitted by law, to modify to that extent such other duties and liabilities of such Member.

(b) Indemnification . To the fullest extent permitted by law, the Company shall indemnify and hold harmless (but only to the extent of the Company's assets (including, without limitation, the remaining Commitments of the Members) each Covered Person from and against any and all claims, damages, losses, costs, expenses and liabilities (including, without limitation, amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim), joint and several, of any nature whatsoever, known or unknown, liquidated or unliquidated (collectively, " Losses "), arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of such Covered Person's management of the affairs of the Company or which relate to or arise out of or in connection with the Company, its property, its business or affairs (other than claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, arising out of any act or omission of such Covered Person constituting Cause); provided , that a Covered Person shall not be entitled to indemnification under this Section with respect to any claim, issue or matter if there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interest of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful; provided further , that if such Covered Person is a Member or a Withdrawn Member, such Covered Person shall bear its share of such Losses in accordance with such Covered Person's Profit Sharing Percentage in the Company as of the time of the actions or omissions that gave rise to such Losses. To the fullest extent permitted by law, expenses (including legal fees) incurred by a Covered Person (including, without limitation, the Managing Member) in defending any claim, demand, action, suit or proceeding may, with the approval of the Managing Member, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of a written undertaking by or on behalf of the Covered Person to repay such amount to the extent that it shall be subsequently determined that the Covered Person is not entitled to be indemnified as authorized in this Section, and the Company and its Affiliates shall have a continuing right of offset against such Covered Person's interests/investments in the Company and such Affiliates and shall have the right to withhold amounts otherwise distributable to such Covered Person to satisfy such repayment obligation. If a Member institutes litigation against a Covered Person which gives rise to an indemnity obligation hereunder, such Member shall be responsible, up to the amount of such Member's Interests and remaining Commitment, for such Member's pro rata share of the Company's expenses related to such indemnity obligation, as determined by the Managing Member. The Company may purchase insurance, to the extent available at reasonable cost, to cover losses, claims, damages or liabilities covered by the foregoing indemnification provisions. Members will not be personally obligated with respect to indemnification pursuant to this Section.

(c) Tax Representation . Each Regular and Special Member certifies that (A) if the Member is a United States person (as defined in the Code) (x) (i) the Member's name, social security number (or, if applicable, employer identification number) and address provided to the Company and its affiliates pursuant to an IRS Form W-9, Payer's Request for Taxpayer Identification Number Certification (" W-9 ") or otherwise are correct and (ii) the Member will complete and return a W-9, and (y) (i) the Member is a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of a change to foreign (non-United States) status or (B) if the Member is not a United States person (as defined in the Code) (x) (i) the information on the completed IRS Form W-8BEN,

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding (" W-8BEN ") or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Partnership, or Certain U.S. Branches for United States Tax Withholding (" W-8IMY "), or otherwise is correct and (ii) the Member will complete and return the applicable IRS form, including but not limited to a W-8BEN or W-8IMY, and (y) (i) the Member is not a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of any change of such status. The Member agrees to properly execute and provide to the Company in a timely manner any tax documentation that may be reasonably required by the Company or the Managing Member.

ARTICLE IV

CAPITAL OF THE COMPANY

4.1. Capital Contributions by Members . (a) Except as agreed by the Managing Member and a Regular Member, such Regular Member shall not be required to make capital contributions to the Company at such times and in such amounts as are required to fund the Company's capital contribution in respect of any BCP IV Investment (the " Required Amounts ") and as are otherwise determined by the Managing Member from time to time; provided , that additional capital contributions in excess of the Required Amounts may be made pro rata among the Regular Members based upon each Regular Member's Carried Interest Sharing Percentage. Capital Contributions in excess of the Required Amounts which are to be used for ongoing business operations (as distinct from financing, legal or other specific liabilities of the Company (including those specifically set forth in Sections 4.1(d) and 5.8(d)) shall be determined by the Managing Member in its sole discretion. Special Members shall not be required to make additional capital contributions to the Company in excess of the Required Amounts, except (i) as a condition of an increase in such Special Member's Profit Sharing Percentage or (ii) as specifically set forth in this Agreement or as determined by the Managing Member; provided , that the Managing Member and any Special Member may agree from time to time that such Special Member shall make an additional capital contribution to the Company; provided further , that each Investor Special Member shall maintain its capital account at a level equal to the product of (i) its Profit Sharing Percentage from time to time and (ii) the total capital of the Company.

(b) Each capital contribution by a Member shall be credited to the appropriate capital account of such Member in accordance with Section 5.2.

(c) The Managing Member may elect on a case by case basis to (i) cause the Company to loan any Member (including any additional Member admitted to the Company pursuant to Section 6.1 but excluding any Members that are also executive officers of The Blackstone Group L.P.) the amount of any capital contribution required to be made by such Member or (ii) permit any Member (including any additional Member admitted to the Company pursuant to Section 6.1) to make a required capital contribution to the Company in installments, in each case on terms determined by the Managing Member.

(d) (i) The Members and the Withdrawn Members have entered into the Trust Agreement, pursuant to which certain amounts of Carried Interest will be paid to the Trustee(s) for deposit in the Trust Account (such amounts to be paid to the Trustee(s) for deposit in the Trust Account constituting a " Holdback "). The Managing Member shall determine, as set forth below, the percentage of Carried Interest that shall be withheld for each Member Category (such withheld percentage constituting such Member Category's " Holdback Percentage "). The applicable Holdback Percentages initially shall be 0% for the Managing Member, 15% for Existing Members (other than the Managing Member), 21% for Retaining Withdrawn Members and 24% for Deceased Members (the " Initial Holdback Percentages ").

(ii) The Holdback Percentage may not be reduced for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may only reduce the Holdback Percentages among the Member Categories on a proportionate basis. For example, if the Holdback Percentage for Existing Members is decreased to 12.5%, the Holdback Percentage for Retaining Withdrawn Members and Deceased Members shall be reduced to 17.5% and 20%, respectively. Any reduction in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such reduction.

(iii) The Holdback Percentage may not be increased for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may not increase the Retaining Withdrawn Members' Holdback Percentage beyond 21% unless the Managing Member concurrently increases the Existing Members' Holdback Percentage to the Holdback Percentage of the Retaining Withdrawn Members. The Managing Member may not increase the Deceased Members' Holdback Percentage beyond 24% unless the Managing Member increases the Holdback Percentage for both Existing Members and Retaining Withdrawn Members to 24%. The Managing Member may not increase the Holdback Percentage of any Member Category beyond 24% unless such increase applies equally to all Member Categories. Any increase in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such increase. The foregoing shall in no way prevent the Managing Member from proportionately increasing the Holdback Percentage of any Member Category (following a reduction of the Holdback Percentages below the Initial Holdback Percentages), if the resulting Holdback Percentages are consistent with the above. For example, if the Managing Member reduces the Holdback Percentages for Existing Members, Retaining Withdrawn Members and Deceased Members to 12.5%, 17.5% and 20%, respectively, the Managing Member shall have the right to subsequently increase the Holdback Percentages to the Initial Holdback Percentages.

(iv) (A) Notwithstanding anything contained herein to the contrary, the Company may increase or decrease the Holdback Percentage for any Member in any Member Category (in such capacity, the " Subject Member ") pursuant to a majority vote of the Regular Members (a " Holdback Vote "); provided , that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to the Managing Member shall not be increased or decreased without its prior written consent; provided further , that a Subject Member's Holdback Percentage shall not be (I) increased prior to such time as such Subject Member (x) is notified by the Company of the decision to increase such Subject Member's Holdback Percentage and (y) has, if requested by such Subject Member, been given 30 days to gather and provide information to the Company for consideration before a second Holdback Vote (requested by the Subject Member) or (II) decreased unless such decrease occurs subsequent to an increase in a Subject Member's Holdback Percentage pursuant to a Holdback Vote under this clause (iv); provided further , that such decrease shall not exceed an amount such that such Subject Member's Holdback Percentage is less than the prevailing Holdback Percentage for the Member Category of such Subject Member; provided further , that a Member shall not vote to increase a Subject Member's Holdback Percentage unless such voting Member determines, in his good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Member, or any of his successors or assigns (including his estate or heirs) who at the time of such vote holds the Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Company meeting. Each Regular Member shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Regular Member's interest in the Company. Such vote may be cast by any Regular Member in person or by proxy.

(C) If the result of the second Holdback Vote is an increase in a Subject Member's Holdback Percentage, such Subject Member may submit the decision to an arbitrator, the identity of which is mutually agreed upon by both the Subject Member and the Company; provided , that if the Company and the Subject Member cannot agree upon a mutually satisfactory arbitrator within 10 days of the second Holdback Vote, each of the Company and the Subject Member shall request their candidate for arbitrator to select a third arbitrator satisfactory to such candidates; provided further , that if such candidates fail to agree upon a mutually satisfactory arbitrator within 30 days of such request, the then sitting President of the American Arbitration Association shall unilaterally select the arbitrator. Each Subject Member that submits the decision of the Company pursuant to the second Holdback Vote to arbitration and the Company shall estimate their reasonably projected out-of-pocket expenses relating thereto, and each such party shall, to the satisfaction of the arbitrator and prior to any determination being made by the arbitrator, pay the total of such estimated expenses (i.e., both the Subject Member's and the Company's expenses) into an escrow account to be controlled by Simpson Thacher & Bartlett LLP, as escrow agent (or such other comparable law firm as the Company and the Subject Member shall agree). The arbitrator shall direct the escrow agent to pay out of such escrow account all expenses associated with such arbitration (including costs leading thereto) and to return to the "victorious" party the entire amount of funds such party paid into such escrow account. If the amount contributed to the escrow account by the losing party is insufficient to cover the expenses of such arbitration, such "losing" party shall then provide any additional funds necessary to cover such costs to such "victorious" party. For purposes hereof, the "victorious" party shall be the Company if the Holdback Percentage ultimately determined by the arbitrator is closer to the percentage determined in the second Holdback Vote than it is to the prevailing Holdback Percentage for the Subject Member's Member Category; otherwise, the Subject Member shall be the "victorious" party. The party that is not the "victorious" party shall be the "losing" party.

(D) In the event of a decrease in a Subject Member's Holdback Percentage (1) pursuant to a Holdback Vote under this clause (iv) or (2) pursuant to a decision of an arbitrator under paragraph (C) of this clause (iv), the Company shall release and distribute to such Subject Member any Trust Amounts (and the Trust Income thereon (except as expressly provided herein with respect to using Trust Income as Firm Collateral)) which exceed the required Holdback of such Subject Member (in accordance with such Subject Member's reduced Holdback Percentage) as though such reduced Holdback Percentage had applied since the increase of the Subject Member's Holdback Percentage pursuant to a previous Holdback Vote under this clause (iv).

(v) (A) If a Member's Holdback Percentage exceeds 15% (such percentage in excess of 15% constituting the " Excess Holdback Percentage "), such Member may satisfy the portion of his Holdback obligation in respect of his Excess Holdback Percentage (such portion constituting such Member's " Excess Holdback "), and such Member (or a Withdrawn Member with respect to amounts contributed to the Trust Account while he was a Member), to the extent

his Excess Holdback obligation has previously been satisfied in cash, may obtain the release of the Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) satisfying such Member's or Withdrawn Member's Excess Holdback obligation, by pledging or otherwise making available to the Company, on a first priority basis (except as provided below), all or any portion of his Firm Collateral in satisfaction of his Excess Holdback obligation. Any Member seeking to satisfy all or any portion of the Excess Holdback utilizing Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Company to realize on (if required), such Firm Collateral; provided , that, in the case of entities listed in the books and records of the Company, in which Members are permitted to pledge their interests therein to finance all or a portion of their capital contributions thereto (" Pledgable Blackstone Interests "), to the extent a first priority security interest is unavailable because of an existing lien on such Firm Collateral, the Member or Withdrawn Member seeking to utilize such Firm Collateral shall grant the Company a second priority security interest therein in the manner provided above; provided further , that (x) in the case of Pledgable Blackstone Interests, to the extent that neither a first priority nor a second priority security interest is available, or (y) if the Managing Member otherwise determines in its good faith judgment that a security interest in Firm Collateral (and the corresponding documents and actions) are not necessary or appropriate, the Member or Withdrawn Member shall (in the case of either clause (x) or (y) above) irrevocably instruct in writing the relevant partnership, limited liability company or other entity listed in the books and records of the Company to remit any and all net proceeds resulting from a Firm Collateral Realization on such Firm Collateral to the Trustee(s) as more fully provided in clause (B) below. The Company shall, at the request of any Member or Withdrawn Member, assist such Member or Withdrawn Member in taking such action necessary to enable such Member or Withdrawn Member to use Firm Collateral as provided hereunder.

(B) If upon a sale or other realization of all or any portion of any Firm Collateral (a " Firm Collateral Realization "), the remaining Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement, then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Firm Collateral Realization (including distributions subject to the repayment of financing sources as in the case of Pledgable Blackstone Interests) shall be paid into the Trust Account to fully satisfy such Excess Holdback requirement (allocated to such Member or Withdrawn Member) and shall be deemed to be Trust Amounts for purposes hereunder. Any net proceeds from such Firm Collateral Realization in excess of the amount necessary to satisfy such Excess Holdback requirement shall be distributed to such Member or Withdrawn Member.

(C) Upon any valuation or revaluation of Firm Collateral that results in a decreased valuation of such Firm Collateral so that such Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement (including upon a Firm Collateral Realization, if net proceeds therefrom and the remaining Firm Collateral are insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement), the Company shall provide notice of the foregoing to such Member or Withdrawn Member and such Member or Withdrawn Member shall, within 30 days of receiving such notice, contribute cash (or additional Firm Collateral) to the Trust Account in an amount necessary to satisfy his Excess Holdback requirement. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section

5.8(d)(ii) shall apply thereto; provided , that clause (A) of the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to a default under this clause (C); provided further , that for purposes of applying Section 5.8(d)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(vi) Any Member or Withdrawn Member may (A) obtain the release of any Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) or Firm Collateral, in each case, held in the Trust Account for the benefit of such Member or Withdrawn Member or (B) require the Company to distribute all or any portion of amounts otherwise required to be placed in the Trust Account (whether cash or Firm Collateral), by obtaining a letter of credit (an " L/C ") for the benefit of the Trustee(s) in such amounts. Any Member or Withdrawn Member choosing to furnish an L/C to the Trustee(s) (in such capacity, an " L/C Member ") shall deliver to the Trustee(s) an unconditional and irrevocable L/C from a commercial bank whose (x) short-term deposits are rated at least A-1 by S&P and P-1 by Moody's (if the L/C is for a term of 1 year or less), or (y) long-term deposits are rated at least A+ by S&P or A1 by Moody's (if the L/C is for a term of 1 year or more) (each a " Required Rating "). If the relevant rating of the commercial bank issuing such L/C drops below the relevant Required Rating, the L/C Member shall supply to the Trustee(s), within 30 days of such occurrence, a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, in lieu of the insufficient L/C. In addition, if the L/C has a term expiring on a date earlier than the latest possible termination date of BCP IV, the Trustee(s) shall be permitted to drawdown on such L/C if the L/C Member fails to provide a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, at least 30 days prior to the stated expiration date of such existing L/C. The Trustee(s) shall notify an L/C Member 10 days prior to drawing on any L/C. The Trustee(s) may (as directed by the Company in the case of clause (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Member's obligation relating to the Company's obligations under the Clawback Provisions or (II) an L/C Member has not provided a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating (or the requisite amount of cash and/or Firm Collateral (to the extent permitted hereunder)), at least 30 days prior to the stated expiration of an existing L/C in accordance with this clause (vi). The Trustee(s), as directed by the Company, shall return to any L/C Member his L/C upon (1) the termination of the Trust Account and satisfaction of the Company's obligations, if any, in respect of the Clawback Provisions, (2) an L/C Member satisfying his entire Holdback obligation in cash and Firm Collateral (to the extent permitted hereunder), or (3) the release, by the Trustee(s), as directed by the Company, of all amounts in the Trust Account to the Members or Withdrawn Members. If an L/C Member satisfies a portion of his Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the Company, release a portion of the amounts in the Trust Account to the Members or Withdrawn Members in the Member Category of such L/C Member, the L/C of an L/C Member may be reduced by an amount corresponding to such portion satisfied in cash and/or Firm Collateral (to the extent permitted hereunder) or such portion released by the Trustee(s), as directed by the Company; provided , that in no way shall the general release of any Trust Income cause an L/C Member to be permitted to reduce the amount of an L/C by any amount.

(vii) (A) Any in-kind distributions by the Company relating to Carried Interest shall be made in accordance herewith as though such distributions consisted of cash. The

Company may direct the Trustee(s) to dispose of any in-kind distributions held in the Trust Account at any time. The net proceeds therefrom shall be treated as though initially contributed to the Trust Account.

(B) In lieu of the foregoing, any Existing Member may pledge with respect to any in-kind distribution the Special Firm Collateral referred to in asset category 5 in the books and records of the Company; provided , that the initial contribution of such Special Firm Collateral shall initially equal 130% of the required Holdback Amount for a period of 90 days, and thereafter shall equal at least 115% of the required Holdback Amount. Paragraphs 4.1(d)(viii)(C) and (D) shall apply to such Special Firm Collateral. To the extent such Special Firm Collateral exceeds the applicable minimum percentage of the required Holdback Amount specified in the first sentence of this clause (vii)(B), the related Member may obtain a release of such excess amount from the Trust Account.

(viii) A) Any Regular Member or Withdrawn Member may satisfy all or any portion of his Holdback (excluding any Excess Holdback), and such Member or a Withdrawn Member may, to the extent his Holdback (excluding any Excess Holdback) has been previously been satisfied in cash or by the use of an L/C as provided herein, obtain a release of Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) that satisfy such Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) by pledging to the Trustee(s) on a first priority basis all of his Special Firm Collateral in a particular Qualifying Fund, which at all times must equal or exceed the amount of the Holdback distributed to the Member or Withdrawn Member (as more fully set forth below). Any Member seeking to satisfy such Member's Holdback utilizing Special Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Trustee(s) to realize on (if required), such Special Firm Collateral.

(B) If upon a distribution, withdrawal, sale, liquidation or other realization of all or any portion of any Special Firm Collateral (a " Special Firm Collateral Realization "), the remaining Special Firm Collateral (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) is insufficient to cover any Member's or Withdrawn Member's Holdback (when taken together with other means of satisfying the Holdback as provided herein (i.e., cash contributed to the Trust Account or an L/C in the Trust Account)), then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Special Firm Collateral Realization (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund or other asset and is being used in connection with an Excess Holdback) shall be paid into the Trust (and allocated to such Member or Withdrawn Member) to fully satisfy such Holdback and shall be deemed thereafter to be Trust Amounts for purposes hereunder. Any net proceeds from such Special Firm Collateral Realization in excess of the amount necessary to satisfy such Holdback (excluding any Excess Holdback) shall be distributed to such Member or Withdrawn Member. To the extent a Qualifying Fund distributes Securities to a Member or Withdrawn Member in connection with a Special Firm Collateral Realization, such Member or Withdrawn Member shall be required to promptly fund such Member's or Withdrawn Member's deficiency with respect to his Holdback in cash or an L/C.

(C) Upon any valuation or revaluation of the Special Firm Collateral and/or any adjustment in the Applicable Collateral Percentage applicable to a Qualifying Fund (as provided in the books and records of the Company), if such Member's or Withdrawn Member's Special Firm Collateral is valued at less than such Member's Holdback (excluding any Excess Holdback) as provided the books and records of the Company, taking into account other permitted means of satisfying the Holdback hereunder, the Company shall provide notice of the foregoing to such Member or Withdrawn Member and, within 10 business days of receiving such notice, such Member or Withdrawn Member shall contribute cash or additional Special Firm Collateral to the Trust Account in an amount necessary to make up such deficiency. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to such default; provided further , that for purposes of applying Section 5.8(d)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(D) Upon a Member becoming a Withdrawn Member, at any time thereafter the Managing Member may revoke the ability of such Withdrawn Member to use Special Firm Collateral as set forth in this Section 4.1(d)(viii), notwithstanding anything else in this Section 4.1(d)(viii). In that case the provisions of clause (C) above shall apply to the Withdrawn Member's obligation to satisfy the Holdback (except that 30 days' notice of such revocation shall be given), given that the Special Firm Collateral is no longer available to satisfy any portion of the Holdback (excluding any Excess Holdback).

(E) Nothing in this Section 4.1(d)(viii) shall prevent any Member or Withdrawn Member from using any amount of such Member's interest in a Qualifying Fund as Firm Collateral; provided that at all times Section 4.1(d)(v) and this Section 4.1 (d)(viii) are each satisfied.

4.2. Interest . Interest on the balances of the Members' capital (excluding capital invested in Investments and, if deemed appropriate by the Managing Member, capital invested in any other investment of the Company) shall be credited to the Members' capital accounts at the end of each accounting period pursuant to Section 5.2, or at any other time as determined by the Managing Member, at rates determined by the Managing Member from time to time, and shall be charged as an expense of the Company.

4.3. Withdrawals of Capital . The Members may not withdraw capital from the Company except (i) for distributions of cash or other property pursuant to Section 5.8, (ii) as otherwise expressly provided in this Agreement or (iii) as determined by the Managing Member.

ARTICLE V

PARTICIPATION IN PROFITS AND LOSSES

5.1. General Accounting Matters . (a) Net Income (Loss) shall be determined by the Managing Member at the end of each accounting period and shall be allocated as described in Section 5.4.

" Net Income (Loss) " from any activity of the Company for any accounting period means (i) the gross income realized by the Company from such activity during such accounting period less (ii) all expenses of the Company, and all other items that are deductible from gross income, for such accounting period that are allocable to such activity (determined as provided below). " Net Income (Loss) " from any Investment for any accounting period in which such Investment has not been sold or otherwise disposed of means (i) the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) all expenses of the Company for such accounting period that are allocable to such Investment (determined as provided below). " Net Income (Loss) " from any Investment for the accounting period in which such Investment is sold or otherwise disposed of means (i) the sum of the gross proceeds from the sale or other disposition of such Investment and the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) the sum of the cost or other basis to the Company of such Investment and all expenses of the Company for such accounting period that are allocable to such Investment. Net Income (Loss) shall be determined in accordance with the accounting method used by the Company for U.S. federal income tax purposes with the following adjustments: (i) any income of the Company that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Net Income (Loss) shall be added to such taxable income or loss; (ii) if any asset has a value on the books of the Company that differs from its adjusted tax basis for U.S. federal income tax purposes, any depreciation, amortization or gain resulting from a disposition of such asset shall be calculated with reference to such value; (iii) upon an adjustment to the value of any asset on the books of the Company pursuant to Regulation Section 1.704-1(b)(2), the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (iv) any expenditures of the Company not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Net Income (Loss) pursuant to this definition shall be treated as deductible items; (v) any income from an Investment that is payable to Company employees in respect of "phantom interests" in such Investment awarded by the Managing Member to employees shall be included as an expense in the calculation of Net Income (Loss) from such Investment, and (vi) items of income and expense (including interest income and overhead and other indirect expenses) of the Company, Holdings and other affiliates of the Company shall be allocated among the Company, Holdings and such affiliates, among various Company activities and Investments and between accounting periods, in each case as determined by the Managing Member. The Managing Member may adjust Net Income (Loss) as it deems appropriate from time to time, including adjustments for items of income accrued but not yet received, unrealized gains, items of expense accrued but not yet paid, unrealized losses, reserves (including reserves for taxes, bad debts, actual or threatened litigation, or any other expenses, contingencies or obligations) and other appropriate items shall be made in accordance with U.S. generally accepted accounting principles ("GAAP'); provided , that the Managing Member shall not be required to make any such adjustment.

(b) An accounting period shall be a Fiscal Year, except that, at the option of the Managing Member, an accounting period will terminate and a new accounting period will begin on the admission date of an additional Member or the Settlement Date of a Withdrawn Member, if any such date is not the first day of a Fiscal Year. If any event referred to in the preceding sentence occurs and the Managing Member does not elect to terminate an accounting period and begin a new accounting period, then the Managing Member may make such adjustments as it deems appropriate to the Members' Profit Sharing Percentages for the accounting period in which such event occurs (prior to any allocations of Unallocated Percentages or adjustments to Profit Sharing Percentages pursuant to Section 5.3) to reflect the Members' average Profit Sharing Percentages during such accounting period; provided , that the Profit Sharing Percentages of Members in Net Income (Loss) from Investments acquired during such accounting period will be based on Profit Sharing Percentages in effect when each such Investment was acquired.

(c) In establishing Profit Sharing Percentages and allocating Unallocated Percentages pursuant to Section 5.3, the Managing Member may consider such factors as it deems appropriate.

(d) All determinations, valuations and other matters of judgment required to be made for accounting purposes under this Agreement shall be made by the Managing Member and approved by the Company's independent accountants. Such approved determinations, valuations and other accounting matters shall be conclusive and binding on all Members, all Withdrawn Members, their successors, heirs, estates or legal representatives and any other person, and to the fullest extent permitted by law no such person shall have the right to an accounting or an appraisal of the assets of the Company or any successor thereto.

5.2. Capital Accounts . (a) There shall be established for each Member on the books of the Company, to the extent and at such times as may be appropriate, one or more capital accounts as the Managing Member may deem to be appropriate for purposes of accounting for such Member's interests in the capital and Net Income (Loss) of the Company.

(b) As of the end of each accounting period or, in the case of a contribution to the Company by one or more of the Members or a distribution by the Company to one or more of the Members, at the time of such contribution or distribution, (i) the appropriate capital accounts of each Member shall be credited with the following amounts: (A) the amount of cash and the value of any property contributed by such Member to the capital of the Company during such accounting period, (B) the Net Income allocated to such Member for such accounting period and (C) the interest credited on the balance of such Member's capital for such accounting period pursuant to Section 4.3; and (ii) the appropriate capital accounts of each Member shall be debited with the following amounts: (x) the amount of cash, the principal amount of any subordinated promissory note of the Company referred to in Section 6.5(k) (as such amount is paid) and the value of any property distributed to such Member during such accounting period and (y) the Net Loss allocated to such Member for such accounting period.

5.3. Profit Sharing Percentages . (a) Prior to the beginning of each annual accounting period, the Managing Member shall establish the profit sharing percentage (the " Profit Sharing Percentage ") of each Member in each category of Net Income (Loss) for such annual accounting period pursuant to Section 5.1(a) taking into account such factors as the Managing Member deems appropriate, including those referred to in Section 5.1(d); provided , that (i) the Managing Member may elect to establish Profit Sharing Percentages in Net Income (Loss) from any Investment acquired by the Company during such accounting period at the time such Investment is acquired in accordance with paragraph (d) below and (ii) Net Income (Loss) for such accounting period from any Investment shall be allocated in accordance with the Profit Sharing Percentages in such Investment established in accordance with paragraph (d) below. The Managing Member may establish different Profit Sharing Percentages for any Member in different categories of Net Income (Loss). In the case of the Withdrawal of a Member, such former Member's Profit Sharing Percentages shall be allocated by the Managing Member to one or more of the remaining Members. In the case of the admission of any Member to the Company as an additional Member, the Profit Sharing Percentages of the other Members shall be reduced by an amount equal to the Profit Sharing Percentage allocated to such new Member pursuant to Section 6.1(b); such reduction of each other Member's Profit Sharing Percentage shall be pro rata based upon such Member's Profit Sharing Percentage as in effect immediately prior to the admission of the new Member. Notwithstanding the foregoing, the Managing Member may also adjust the Profit Sharing Percentage of any Member for any annual accounting period at the end of such annual accounting period in its sole discretion.

(b) The Managing Member may elect to allocate to the Members less than 100% of the Profit Sharing Percentages of any category for any annual accounting period at the time specified in

Section 5.3(a) for the annual fixing of Profit Sharing Percentages (any remainder of such Profit Sharing Percentages being called an " Unallocated Percentage "). Any Unallocated Percentage for any annual accounting period may be allocated by the Managing Member at such later times and to such Members as the Managing Member shall determine; provided , that any Unallocated Percentage in any category of Net Income (Loss) for any annual accounting period that is not allocated by the Managing Member within 90 days after the end of such accounting period shall be deemed to be allocated among all Members (including the Managing Member) in the manner determined by the Managing Member in its sole discretion.

(c) Unless otherwise determined by the Managing Member in a particular case, (i) Profit Sharing Percentages in Net Income (Loss) from any Investment shall be allocated in proportion to the Members' respective capital contributions in respect of such Investment and (ii) Profit Sharing Percentages in Net Income (Loss) from each Investment shall be fixed at the time such Investment is acquired and shall not thereafter change, subject to any repurchase rights established by the Managing Member pursuant to Section 5.7.

5.4. Allocations of Net Income (Loss) . (a) Except as provided in Sections 5.4(d) and 5.4(e), Net Income of the Company for each Investment shall be allocated to the Capital Accounts related to such Investment of all the Members participating in such Investment (including the Managing Member): first, in proportion to and to the extent of the amount of Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest distributed to the Members; second, to Members that received Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest in years prior to the years such Net Income is being allocated to the extent such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest exceeded Net Income allocated to such Members in such earlier years; and third, to the Members in the same manner that such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest would have been distributed if cash were available to distribute with respect thereto.

(b) Net Loss of the Company shall be allocated as follows: (i) Net Loss relating to realized losses suffered by BCP IV and allocated to the Company with respect to its pro rata share thereof (based on capital contributions made to BCP IV) shall be allocated to the Members in accordance with each Member's Non-Carried Interest Sharing Percentage (subject to adjustment pursuant to Section 5.8(d) with respect to the Investment giving rise to such loss suffered by BCP IV and (ii) Net Loss relating to realized losses suffered by BCP IV and allocated to the Company with respect to the Carried Interest shall be allocated in accordance with a Member's (including Withdrawn Member's) Carried Interest Give Back Percentage (as of the date of such loss).

(c) Notwithstanding Section 5.4(a) above, Net Income relating to Carried Interest allocated after the allocation of a Net Loss pursuant to clause (ii) of Section 5.4(b) shall be allocated in accordance with such Carried Interest Give Back Percentages until such time as the Members have been allocated Net Income relating to Carried Interest equal to the aggregate amount of Net Loss previously allocated in accordance with clause (ii) of Section 5.4(b). Withdrawn Members shall remain Members for purposes of allocating such Net Loss with respect to Carried Interest.

(d) To the extent the Company has any Net Income (Loss) for any accounting period unrelated to BCP IV, such Net Income (Loss) will be allocated in accordance with Profit Sharing Percentages prevailing at the beginning of such accounting period, except as provided in Section 5.4(e).

(e) The Managing Member may authorize from time to time advances to Members against their allocable shares of Net Income (Loss).

5.5. Liability of Members . Except as otherwise provided in the LLC Act or as expressly provided in this Agreement, no Member shall be personally obligated for any debt, obligation or liability of the Company or of any other Member solely by reason of being a Member. In no event shall any Member or Withdrawn Member (i) be obligated to make any capital contribution or payment to or on behalf of the Company or (ii) have any liability to return distributions received by such Member from the Company, in each case except as specifically provided in Sections 4.1(d) or 5.8 or otherwise in this Agreement, as such Member shall otherwise expressly agree in writing or as may be required by applicable law.

5.6. [Intentionally omitted.]

5.7. Repurchase Rights, etc . The Managing Member may from time to time establish such repurchase rights and/or other requirements with respect to the Members' Interests relating to BCP IV Investments as the Managing Member may determine. The Managing Member shall have authority to (a) withhold any distribution otherwise payable to any Member until any such repurchase rights have lapsed or any such requirements have been satisfied, (b) pay any distribution to any Member that is Contingent as of the distribution date and require the refund of any portion of such distribution that is Contingent as of the Withdrawal Date of such Member, (c) amend any previously established repurchase rights or other requirements from time to time and (d) make such exceptions thereto as it may determine on a case by case basis.

5.8. Distributions . (a) (i) The Company shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Members at such times and in such amounts as are determined by the Managing Member. The Managing Member shall, if it deems it appropriate, determine the availability for distribution of, and distribute, cash or other property separately for each category of Net Income (Loss) established pursuant to Section 5.1(a). Subject to Section 5.8(e), distributions of cash or other property with respect to Non-Carried Interest shall be made among the Members in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d), distributions of cash or other property with respect to Carried Interest shall be made among Members in accordance with their respective Carried Interest Sharing Percentages. At any time that a sale, exchange, transfer or other disposition by BCP IV of a portion of an Investment is being considered by the Company (a " Disposable Investment "), at the election of the Managing Member each Member's Interest with respect to such Investment shall be vertically divided into two separate Interests, an Interest attributable to the Disposable Investment (a Member's " Class B Interest "), and an Interest attributable to such Investment excluding the Disposable Investment (a Member's " Class A Interest "). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BCP IV) relating to a Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class B Interests with respect to such Investment in accordance with their Profit Sharing Percentages relating to such Class B Interests, and distributions (including those resulting from the sale, transfer, exchange or other disposition by BCP IV) relating to an Investment excluding such Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class A Interests with respect to such Investment in accordance with their respective Profit Sharing Percentages relating to such Class A Interests. Except as provided above, distributions of cash or other property with respect to each category of Net Income (Loss) shall be allocated among the Members in the same proportions as the allocations of Net Income (Loss) of each such category.

(b) Subject to the Company's having sufficient available cash in the reasonable judgment of the Managing Member, the Company shall make cash distributions to each Member with respect to each Fiscal Year of the Company in an aggregate amount at least equal to the total Federal, New York State and New York City income and other taxes that would be payable by such Member with respect to all categories of Net Income (Loss) allocated to such Member for such Fiscal Year, the amount

of which shall be calculated (i) on the assumption that each Member is an individual subject to the then prevailing maximum Federal, New York State and New York City income tax rates, (ii) taking into account the deductibility of state and local income and other taxes for Federal income tax purposes and (iii) taking into account any differential in applicable rates due to the type and character of Net Income (Loss) allocated to such Member. Notwithstanding the provisions of the foregoing sentence, the Managing Member may refrain from making any distribution if, in the reasonable judgment of the Managing Member, such distribution is prohibited by § 18-607 of the LLC Act.

(c) The Managing Member may provide that the Member Interest of any Member or employee (including such Member's or employee's right to distributions and investments of the Company related thereto) may be subject to repurchase by the Company during such period as the Managing Member shall determine (a " Repurchase Period "). Any Contingent distributions from investments subject to repurchase rights will be withheld by the Company and will be distributed to the recipient thereof (together with interest thereon at rates determined by the Managing Member from time to time) as the recipient's rights to such distributions become Non-Contingent (by virtue of the expiration of the applicable Repurchase Period or otherwise). The Managing Member may elect in an individual case to have the Company distribute any Contingent distribution to the applicable recipient thereof irrespective of whether the applicable Repurchase Period has lapsed. If a Member Withdraws from the Company for any reason other than his death, Total Disability or Incompetence, the undistributed share of any investment that remains Contingent as of the applicable Withdrawal Date shall be repurchased by the Company at a purchase price determined at such time by the Managing Member. Unless determined otherwise by the Managing Member, the repurchased portion thereof will be allocated among the remaining Members with interests in such investment in proportion to their respective percentage interests in such investment, or if no other Member has a percentage interest in such specific investment, to the Managing Member; provided , that the Managing Member may allocate the Withdrawn Member's share of a repurchased investment attributable to the period after the Withdrawn Member's Withdrawal Date on any basis it may determine, including to existing or new Members who did not previously have interests in such investment, except that, in any event, each Investor Special Member shall be allocated a share of such unrealized investment income equal to its respective Profit Sharing Percentage of such unrealized investment income.

(d) (i) (A) If the Company is obligated under the Clawback Provisions or Giveback Provisions to contribute a Clawback Amount or Giveback Amount to BCP IV, the Company shall call for such amounts as are necessary to satisfy such obligations as determined by the Managing Member, in which case each Member and Withdrawn Member shall contribute to the Company, in cash, when and as called by the Company, such an amount of prior distributions by the Company (and the Other Fund GPs) with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the " Recontribution Amount ") which equals (I) the product of (a) a Member's or Withdrawn Member's Carried Interest Give Back Percentage and (b) the aggregate Clawback Amount payable by the Company in the case of Clawback Amounts and (II) with respect to a Giveback, such Member's pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the BCP IV Investment giving rise to the Giveback Amount, (b) if the amounts contributed pursuant to clause (II)(a) above are insufficient to satisfy such Giveback Amount, BCP IV Investments other than the one giving rise to such obligation, but only those amounts received by the Members with an interest in the BCP IV Investment referred to in clause (II)(a) above and (c) if the Giveback Amount is unrelated to a specific BCP IV Investment, all BCP IV Investments. Each Member and Withdrawn Member shall promptly contribute to the Company, along with satisfying his comparable obligations to the Other Fund GPs, if any, upon such call such Member's or Withdrawn Member's Recontribution Amount, less the amount paid out of the Trust Account on behalf of such Member or Withdrawn Member by the Trustee(s) pursuant to written instructions from the Company, or if applicable, any of the Other Fund GPs with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the " Net

Recontribution Amount "), irrespective of the fact that the amounts in the Trust Account may be sufficient on an aggregate basis to satisfy the Company's and the Other Fund GPs' obligation under the Clawback Provisions and/or Giveback Provisions; provided , that to the extent a Member's or Withdrawn Member's share of the amount paid with respect to the Clawback Amount or the Giveback Provisions exceeds his Recontribution Amount, such excess shall be repaid to such Member or Withdrawn Member as promptly as reasonably practicable, subject to clause (ii) below; provided further , that such written instructions from the Company shall specify each Member's and Withdrawn Member's Recontribution Amount. Prior to such time, the Company may, in its discretion (but shall be under no obligation to), provide notice that in the Company's judgment, the potential obligations in respect of the Clawback Provisions or the Giveback Provisions will probably materialize (and an estimate of the aggregate amount of such obligations); provided further , that any amount from a Member's Trust Account used to pay any Giveback Amount (or such lesser amount as may be required by the Managing Member) shall be contributed by such Member to such Member's Trust Account no later than 30 days after the Net Recontribution Amount is paid with respect to such Giveback.

(B) To the extent any Member or Withdrawn Member has satisfied any Holdback obligation with Firm Collateral, such Member or Withdrawn Member shall, within 10 days of the Company's call for Recontribution Amounts, make a cash payment into the Trust Account in an amount equal to the amount of the Holdback obligation satisfied with such Firm Collateral, or such lesser amount such that the amount in the Trust Account allocable to such Member or Withdrawn Member equals the sum of (I) such Member's or Withdrawn Member's Recontribution Amount and (II) any similar amounts payable to any of the Other Fund GPs. Immediately upon receipt of such cash, the Trustee(s) shall take such steps as are necessary to release such Firm Collateral of such Member or Withdrawn Member equal to the amount of such cash payment. If the amount of such cash payment is less than the amount of Firm Collateral of such Member or Withdrawn Member, the balance of such Firm Collateral if any, shall be retained to secure the payment of Deficiency Contributions, if any, and shall be fully released upon the satisfaction of the Company's and the Other Fund GPs' obligation to pay the Clawback Amount. The failure of any Member or Withdrawn Member to make a cash payment in accordance with this clause (B) (to the extent applicable) shall constitute a default under Section 5.8(d)(ii) as if such cash payment hereunder constitutes a Net Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Member or Withdrawn Member (a " Defaulting Party ") fails to recontribute all or any portion of such Defaulting Party's Net Recontribution Amount for any reason, the Company shall require all other Members and Withdrawn Members to contribute, on a pro rata basis (based on each of their respective Carried Interest Give Back Percentages in the case of Clawback Amounts, and Profit Sharing Percentages in the case of Giveback Amounts (as more fully described in clause (II) of Section 5.8(d)(ii) above)), such amounts as are necessary to fulfill the Defaulting Party's obligation to pay such Defaulting Party's Net Recontribution Amount (a " Deficiency Contribution ") if the Managing Member determines in its good faith judgment that the Company will be unable to collect such amount in cash from such Defaulting Party for payment of the Clawback Amount or Giveback Amount, as the case may be, at least 20 Business Days prior to the latest date that the Company, and the Other Fund GPs, if applicable, are permitted to pay the Clawback Amount or Giveback Amount, as the case may be; provided , that, subject to Section 5.8(d), no Member or Withdrawn Member shall as a result of such Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of the Net Recontribution Amount initially requested from such Member or Withdrawn Member in

respect of such default. Thereafter, the Managing Member shall determine in its good faith judgment that the Company should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the Managing Member or (2) pursue any and all remedies (at law or equity) available to the Company against the Defaulting Party, the cost of which shall be a Company expense to the extent not ultimately reimbursed by the Defaulting Party. It is agreed that the Company shall have the right (effective upon such Defaulting Party becoming a Defaulting Party) to set-off as appropriate and apply against such Defaulting Party's Net Recontribution Amount any amounts otherwise payable to the Defaulting Party by the Company or any affiliate thereof (including amounts unrelated to Carried Interest, such as returns of capital and profit thereon). Each Member and Withdrawn Member hereby grants to the Company a security interest, effective upon such Member or Withdrawn Member becoming a Defaulting Party, in all accounts receivable and other rights to receive payment from any affiliate of the Company and agrees that, upon the effectiveness of such security interest, the Company may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member and Withdrawn Member hereby appoints the Company as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Member or Withdrawn Member or in the name of the Company, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Company shall be entitled to collect interest on the Net Recontribution Amount of a Defaulting Party from the date such Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(B) Any Member's or Withdrawn Member's failure to make a Deficiency Contribution shall cause such Member or Withdrawn Member to be a Defaulting Party with respect to such amount. The Company shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Member or Withdrawn Member to satisfy such Member's or Withdrawn Member's obligation to make a Deficiency Contribution before seeking cash contributions from such Member or Withdrawn Member in satisfaction of such Member's or Withdrawn Member's obligation to make a Deficiency Contribution.

(iii) A Member's or Withdrawn Member's obligation to make contributions to the Company under this Section 5.8(d) shall survive the termination of the Company.

(e) The Members acknowledge that the Managing Member will (and is hereby authorized to) take such steps as it deems appropriate, in its good faith, to further the objective of providing for the fair and equitable treatment of all Members, including by allocating Writedowns and Losses (as defined in the BCP IV Agreements) on BCP IV Investments that have been the subject of a Writedown and/or Losses (each, a " Loss Investment ") to those Members who participated in such Loss Investments based on their Carried Interest Sharing Percentage therein to the extent that such Members receive or have received Carried Interest distributions from other BCP IV Investments. Consequently and notwithstanding anything herein to the contrary, adjustments to Carried Interest distributions shall be made as set forth in this Section 5.8(e).

(i) At the time the Company is making Carried Interest distributions in connection with a BCP IV Investment (the " Subject Investment ") that have been reduced under the BCP IV Agreements as a result of one or more Loss Investments, the Managing Member shall calculate amounts distributable to or due from each such Member as follows:

(A) determine each Member's share of each such Loss Investment based on his Carried Interest Sharing Percentage in each such Loss Investment (which may be

zero) to the extent such Loss Investment has reduced the Carried Interest distributions otherwise available for distribution to all Members (indirectly through the Company from BCP IV) from the Subject Investment (such reduction, the " Loss Amount ");

(B) determine the amount of Carried Interest distributions otherwise distributable to such Member with respect to the Subject Investment (indirectly through the Company from BCP IV) before any reduction in respect of the amount determined in clause (A) above (the " Unadjusted Carried Interest Distributions "); and

(C) subtract (I) the Loss Amounts relating to all Loss Investments from (II) the Unadjusted Carried Interest Distributions for such Member, to determine the amount of Carried Interest distributions to actually be paid to such Member (" Net Carried Interest Distribution ").

To the extent that the Net Carried Interest Distribution for a Member as calculated in this clause (i) is a negative number, the Managing Member shall (I) notify such Member, at or prior to the time such Carried Interest distributions are actually made to the Members, of his obligation to recontribute to the Company prior Carried Interest distributions (a " Net Carried Interest Distribution Recontribution Amount "), up to the amount of such negative Net Carried Interest Distribution, and (II) to the extent amounts recontributed pursuant to clause (I) are insufficient to satisfy such negative Net Carried Interest Distribution Amount, reduce future Carried Interest distributions otherwise due such Member, up to the amount of such remaining negative Net Carried Interest Distribution. If a Member's (x) Net Carried Interest Distribution Recontribution Amount exceeds (y) the aggregate amount of prior Carried Interest distributions less the amount of tax thereon, calculated based on the Assumed Tax Rate (as defined in the BCP IV Agreements) in effect in the Fiscal Years of such distributions (the " Excess Tax-Related Amount "), then such Member may, in lieu of paying such Member's Excess Tax-Related Amount, defer such amounts as set forth below. Such deferred amount shall accrue interest at the Prime Rate. Such deferred amounts shall be reduced and repaid by the amount of Carried Interest otherwise distributable to such Member in connection with future Carried Interest distributions until such balance is reduced to zero. Any deferred amounts shall be payable in full upon the earlier of (i) such time as the Clawback is determined (as provided herein) and (ii) such time as the Member becomes a Withdrawn Member.

To the extent there is an amount of negative Net Carried Interest Distribution with respect to a Member remaining after the application of this clause (i), notwithstanding clause (II) of the preceding paragraph, such remaining amount of negative Net Carried Interest Distribution shall be allocated to the other Members pro rata based on each of their Carried Interest Sharing Percentages in the Subject Investment.

A Member who fails to pay a Net Carried Interest Distribution Recontribution Amount promptly upon notice from the Managing Member (as provided above) shall be deemed a Defaulting Party for all purposes hereof.

A Member may satisfy in part any Net Carried Interest Distribution Recontribution Amount from cash that is then subject to a Holdback, to the extent that the amounts that remain subject to a Holdback satisfy the Holdback requirements hereof as they relate to the reduced amount of aggregate Carried Interest distributions received by such Member (taking into account any Net Carried Interest Distribution Recontribution Amount contributed to the Company by such Member).

Any Net Carried Interest Distribution Recontribution Amount contributed by a Member, including amounts of cash subject to a Holdback as provided above, shall increase the amount available for distribution to the other Members as Carried Interest distributions with respect to the Subject Investment; provided , that any such amounts then subject to a Holdback may be so distributed to the other Members to the extent a Member receiving such distribution has satisfied the Holdback requirements with respect to such distribution (taken together with the other Carried Interest distributions received by such Member to date).

(ii) In the case of Clawback Amounts which are required to be contributed to the Company as otherwise provided herein, the obligation of the Members with respect to any Clawback Amount shall be adjusted by the Managing Member as follows:

(A) determine each Member's share of any Losses in any BCP IV Investments which gave rise to the Clawback Amount (i.e. , the Losses that followed the last BCP IV Investment with respect to which Carried Interest distributions were made), based on such Member's Carried Interest Sharing Percentage in such BCP IV Investments;

(B) determine each Member's obligation with respect to the Clawback Amount based on such Member's Carried Interest Give Back Percentage as otherwise provided herein; and

(C) subtract the amount determined in clause (B) above from the amount determined in clause (A) above with respect to each Member to determine the amount of adjustment to each Member's share of the Clawback Amount (a Member's " Clawback Adjustment Amount ").

A Member's share of the Clawback Amount shall for all purposes hereof be decreased by such Member's Clawback Adjustment Amount, to the extent it is a negative number (except to the extent expressly provided below). A Member's share of the Clawback Amount shall for all purposes hereof be increased by such Member's Clawback Adjustment Amount (to the extent it is a positive number); provided , that in no way shall a Member's aggregate obligation to satisfy a Clawback Amount as a result of this clause (ii) exceed the aggregate Carried Interest distributions received by such Member. To the extent a positive Clawback Adjustment Amount remains after the application of this clause (ii) with respect to a Member, such remaining Clawback Adjustment Amount shall be allocated to the Members (including any Member whose Clawback Amount was increased pursuant to this clause (ii)) pro rata based on their Carried Interest Give Back Percentages (determined without regard to this clause (ii)).

Any distribution or contribution adjustments pursuant to this Section 5.8(e) by the Managing Member shall be based on its good faith judgment, and no Member shall have any claim against the Company, the Managing Member or any other Members as a result of any adjustment made as set forth above. This Section 5.8(e) applies to all Members, including Withdrawn Members.

It is agreed and acknowledged that this Section 5.8(e) is an agreement among the Members and in no way modifies the obligations of each Member regarding the Clawback as provided in the BCP IV Agreements.

5.9. Business Expenses . The Company shall reimburse the Members for reasonable travel, entertainment and miscellaneous expenses incurred by them in the conduct of the Company's business in accordance with rules and regulations established by the Managing Member from time to time.

ARTICLE VI

ADDITIONAL MEMBERS; WITHDRAWAL OF MEMBERS;
SATISFACTION AND DISCHARGE OF
COMPANY INTERESTS; TERMINATION

6.1. Additional Members . (a) Effective on the first day of any month (or on such other date as shall be determined by the Managing Member in its sole discretion), the Managing Member shall have the right to admit one or more additional persons into the Company as Regular Members or Special Members. The Managing Member shall determine and negotiate with the additional Member all terms of such additional Member's participation in the Company, including the additional Member's initial capital contribution and Profit Sharing Percentage. Each additional Member shall have such voting rights as may be determined by the Managing Member from time to time unless, upon the admission to the Company of any Special Member (including any Special Member), the Managing Member shall designate that such Special Member shall not have such voting rights (any such Special Member being called a " Nonvoting Special Member "). Any additional Member shall, as a condition to becoming a Member, agree to become a party to, and be bound by the terms and conditions of, the Trust Agreement.

(b) The Profit Sharing Percentages to be allocated to an additional Member as of the date such Member is admitted to the Company, together with the pro rata reduction in all other Members' Profit Sharing Percentages as of such date, shall be established by the Managing Member pursuant to Section 5.3.

(c) An additional Member shall be required to contribute to the Company his pro rata share of the Company's total capital, excluding capital in respect of Investments in which such Member does not acquire any interests, at such times and in such amounts as shall be determined by the Managing Member in accordance with Section 4.1.

(d) The admission of an additional Member will be evidenced by (i) the execution of a counterpart copy of this Agreement by such additional Member or (ii) the execution of an amendment to this Agreement by all the Members (including the additional Member), as determined by the Managing Member. In addition, each additional Member shall sign a counterpart copy of the Trust Agreement or any other writing evidencing the intent of such person to become a party to the Trust Agreement that is accepted by the Managing Member on behalf of the Company.

(e) (i) It is hereby agreed and acknowledged that BCA IV has been admitted to the Company as a Special Member.

(ii) To the extent that a partner of BCA IV satisfies the repurchase or other requirements set forth in the BCA IV Partnership Agreement with respect to an Investment, the corresponding portion of BCA IV's Interest in such Investment shall also become vested (but only on those circumstances).

(iii) If a partner of BCA IV "Withdraws" (as defined in the BCA IV Partnership Agreement), the corresponding portion of BCA IV's Interest in the Company shall be treated as though BCA IV had Withdrawn from the Company with respect to such Interest. If a partner of BCA IV "Withdraws" for "Cause" (each as defined in the BCA IV Partnership Agreement), the corresponding portion of BCA IV's Interest in the Company shall be treated as though BCA IV had Withdrawn from the Company for Cause with respect to such Interest;

(iv) If a partner of BCA IV becomes a "Defaulting Party" (as defined in the BCA IV Partnership Agreement), the corresponding portion of BCA IV's Interest in the Company shall be treated as though BCA IV had become a Defaulting Party with respect to such Interest.

(v) Notwithstanding Section 4.1(d) of the Agreement, the Company shall not contribute any amount of distributions to BCA IV to the Trust; provided , that BCA IV makes the contributions to the Trust on behalf of its partners in accordance with the BCA IV Partnership Agreement;

6.2. Withdrawal of Members . (a) Any Member may Withdraw voluntarily from the Company on the last day of any calendar month, on not less than 15 days' prior written notice by such Member to the Managing Member (or on such shorter notice period as may be mutually agreed upon between such Member and the Managing Member); provided , that a Member may not voluntarily Withdraw without the consent of the Managing Member if such Withdrawal would (i) cause the Company to be in default under any of its contractual obligations or (ii) in the reasonable judgment of the Managing Member, have a material adverse effect on the Company or its business.

(b) Upon the Withdrawal of any Member, including by the occurrence of any withdrawal event under the LLC Act with respect to any Member, such Member shall thereupon cease to be a Member, except as expressly provided herein.

(c) Upon the Total Disability of a Regular Member, such Member shall thereupon cease to be a Regular Member; provided , that the Managing Member may elect to admit such Withdrawn Member to the Company as a Nonvoting Special Member with such Interest as the Managing Member may determine. The determination of whether any Member has suffered a Total Disability shall be made by the Managing Member in its sole discretion after consultation with a qualified medical doctor. In the absence of agreement between the Managing Member and such Member, each party shall nominate a qualified medical doctor and the two doctors shall select a third doctor, who shall make the determination as to Total Disability.

(d) If the Managing Member determines or with a Majority in Interest of the Members that it shall be in the best interests of the Company for any Member (including any Member who has given notice of voluntary Withdrawal pursuant to paragraph (a) above) to Withdraw from the Company (whether or not Cause exists), such Member, upon written notice by the Managing Member to such Member, shall be required to Withdraw as of a date specified in such notice, which date shall be on or after the date of such notice. If the Managing Member requires any Member to Withdraw for Cause, such notice shall state that it has been given for Cause and shall describe the particulars thereof in reasonable detail.

(e) The withdrawal from the Company of any Member shall not, in and of itself, affect the obligations of the other Members to continue the Company during the remainder of its term.

6.3. Company Interests Not Transferable . No Member may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Member's Interest other than as permitted by written agreement between such Member and the Company; provided , that this Section 6.3 shall not impair transfers by operation of law, transfers by will or by other testamentary instruments occurring by virtue of the death or dissolution of a Member, or transfers required by trust agreements; provided further , that a Regular Member may transfer, for estate planning purposes, up to 25% of his Profit Sharing Percentage to any estate planning trust, limited partnership, or limited liability company with respect to which a Regular Member controls investments related to any interest in the Company held therein (an "Estate Planning Vehicle"). Each Estate Planning Vehicle will be a Nonvoting Special Member. Such

Regular Member and the Nonvoting Special Member shall be jointly and severally liable for all obligations of both such Regular Member and such Nonvoting Special Member with respect to the Company (including the obligation to make additional capital contributions), as the case may be. The Managing Member may at its sole option exercisable at any time require any Estate Planning Vehicle to withdraw from the Company on the terms of this Article VI. Except as provided in the second proviso to the first sentence of this Section 6.3, no assignee, legatee, distributee, heir or transferee (by conveyance, operation of law or otherwise) of the whole or any portion of any Member's Interest shall have any right to be a Member without the prior written consent of the Managing Member, (which consent may withheld without giving reason therefor). Notwithstanding the granting of a security interest in the entire Interest of any Member, such Member shall continue to be a Member of the Company.

6.4. Consequences upon Withdrawal of a Member . (a) The Withdrawal of a Regular Member shall not dissolve the Company if at the time of such Withdrawal there are one or more remaining Regular Members and any one or more of such remaining Regular Members continue the business of the Company (any and all such remaining Regular Members being hereby authorized to continue the business of the Company without dissolution and hereby agreeing to do so). Notwithstanding Section 6.4(b), if upon the Withdrawal of a Regular Member there shall be no remaining Regular Member, the Company shall be dissolved and shall be wound up unless, within 90 days after the occurrence of such Withdrawal, all remaining Special Members agree in writing to continue the business of the Company and to the appointment, effective as of the date of such Withdrawal, of one or more Regular Members.

(b) The Company shall not be dissolved, in and of itself, by the Withdrawal of any Member, but shall continue with the surviving or remaining Members as members thereof in accordance with and subject to the terms and provisions of this Agreement.

6.5. Satisfaction and Discharge of a Withdrawn Member's Interest . (a) As used in this Agreement, (i) the term " Withdrawn Member " shall mean a Member whose interest in the Company has been terminated for any reason, including the occurrence of an event specified in Section 6.2, and shall include, unless the context requires otherwise, the estate or legal representatives of any such Member, (ii) the term " Withdrawal Date " shall mean the date of the Withdrawal from the Company of a Withdrawn Member and (iii) the term " Settlement Date " shall mean the date as of which a Withdrawn Member's Interest is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Regular Member who Withdraws from the Company, and all or any portion of whose Interest is retained as a Special Member, shall be considered a Withdrawn Member for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Member's interest in the Company may be agreed to by the Managing Member and a Withdrawn Member, a Withdrawn Member's Settlement Date shall be his Withdrawal Date; provided, that if a Withdrawn Member's Withdrawal is not the last day of a month, then the Managing Member may elect for such Withdrawn Member's Settlement Date to be the last day of the month in which his Withdrawal Date occurs. During the interval, if any, between a Withdrawn Member's Withdrawal Date and Settlement Date, such Withdrawn Member shall have the same rights and obligations with respect to capital contributions, interest on capital, allocations of Net Income (Loss) and distributions as would have applied had such Withdrawn Member remained a Member of the Company during such period.

(c) In the event of the Withdrawal of a Member, the Managing Member shall promptly after such Withdrawn Member's Settlement Date (i) determine and allocate to the Withdrawn Member's capital account such Withdrawn Member's allocable share of the Net Income (Loss) of the Company for the period ending on such Settlement Date in accordance with Article V and (ii) credit the Withdrawn Member's capital account with interest in accordance with Section 5.2. In making the

foregoing calculations, the Managing Member shall be entitled to establish such reserves (including reserves for taxes, bad debts, unrealized losses, actual or threatened litigation or any other expenses, contingencies or obligations) as it deems appropriate. Unless otherwise determined by the Managing Member in a particular case, a Withdrawn Member shall not be entitled to receive any Unallocated Percentage in respect of the accounting period during which such Member Withdraws from the Company (whether or not previously awarded or allocated) or any Unallocated Percentage in respect of prior accounting periods that have not been paid or allocated (whether or not previously awarded) as of such Withdrawn Member's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Member, the Withdrawn Member's Profit Sharing Percentages shall, unless otherwise allocated by the Managing Member pursuant to Section 5.3(a), be deemed to be Unallocated Percentages (except for Profit Sharing Percentages with respect to Investments as provided in paragraph (f) below).

(e) (i) Upon the Withdrawal from the Company of a Member, such Withdrawn Member thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Member (including voting rights), and, except as expressly provided in this Section 6.5, such Withdrawn Member shall not have any interest in the Company's Net Income (Loss), distributions, Investments or other assets. If a Member Withdraws from the Company for any reason other than for Cause pursuant to Section 6.2, then the Withdrawn Member shall be entitled to receive, at the time or times specified in Section 6.5(i) below, in satisfaction and discharge in full of the Withdrawn Member's Interest, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Member's capital accounts, (excluding any capital account or portion thereof attributable to any Investment) and (y) the Withdrawn Member's percentage interest attributable to each Investment in which the Withdrawn Member has an interest as of the Settlement Date as provided in paragraph (f) below (which shall be settled in accordance with paragraph (f) below), subject to all the terms and conditions of paragraphs (a)-(r) of this Section 6.5. If the amount determined pursuant to clause (x) above is an aggregate negative balance, the Withdrawn Member shall pay the amount thereof to the Company upon demand by the Managing Member on or after the date of the statement referred to in paragraph (i) below; provided , that if the Withdrawn Member was solely a Special Member on his Withdrawal Date, such payment shall be required only to the extent of any amounts payable to such Withdrawn Member pursuant to this Section 6.5. Any aggregate negative balance in the capital accounts of a Withdrawn Member who was solely a Special Member, upon the settlement of such Withdrawn Member's Interest pursuant to this Section 6.5, shall be allocated among the other Members' capital accounts in accordance with their respective Profit Sharing Percentages in the categories of Net Income (Loss) giving rise to such negative balance as determined by the Managing Member as of such Withdrawn Member's Settlement Date. In the settlement of any Withdrawn Member's interest in the Company, no value shall be ascribed to goodwill, the Company name or the anticipation of any value the Company or any successor thereto might have in the event the Company or any interest therein were to be sold in whole or in part.

(ii) Notwithstanding clause (i) of this Section 6.5(e), in the case of a Member whose Withdrawal resulted from such Member's death or Incompetence, such Member's estate or legal representative, as the case may be, may elect, at the time described below, to receive a Nonvoting Special Member Interest and retain such Member's Profit Sharing Percentage in all (but not less than all) illiquid investments of the Company in lieu of a cash payment (or Note) in settlement of that portion of the Withdrawn Member's interest. The election referred to above shall be made within 60 days after the Withdrawn Member's Settlement Date, based on a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Member's "percentage interest" means his Profit Sharing Percentage as of the Settlement Date in the relevant

Investment. The Withdrawn Member shall retain his percentage interest in such Investment and shall retain his capital account or portion thereof attributable to such Investment, in which case such Withdrawn Member (a " Retaining Withdrawn Member ") shall become and remain a Special Member for such purpose (and, if the Managing Member so designates, such Special Member shall be a Nonvoting Special Member). The Interests of a Retaining Withdrawn Member pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to Interests of any kind hereunder and such other terms and conditions as are established by the Managing Member. At the option of the Managing Member in its sole discretion, the Managing Member and the Retaining Withdrawn Member may agree to have the Company acquire such interests without the approval of the other Members; provided , that the Managing Member shall reflect in the books and records of the Company the terms of any acquisition pursuant to this sentence.

(g) The Managing Member may elect, in lieu of payment in cash of any amount payable to a Withdrawn Member pursuant to paragraph (e) above, to have the Company issue to the Withdrawn Member a subordinated promissory note as provided in paragraph (k) below and/or (ii) to distribute in kind to the Withdrawn Member such Withdrawn Member's pro rata share (as determined by the Managing Member) of any securities or other investments of the Company. If any securities or other investments are distributed in kind to a Withdrawn Member under this paragraph (g), the amount described in clause (x) of paragraph (e)(i) shall be reduced by the value of such distribution as valued on the latest balance sheet of the Company in accordance with generally accepted accounting principles or, if not appearing on such balance sheet, as reasonably determined by the Managing Member.

(h) [Intentionally omitted].

(i) Within 120 days after each Settlement Date, the Managing Member shall submit to the Withdrawn Member a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to this Section 6.5 together with any cash payment, subordinated promissory note (as referred to in paragraph (k) below) and in kind distributions to be made to such Member as shall be determined by the Managing Member. The Managing Member shall submit to the Withdrawn Member supplemental statements with respect to additional amounts payable to or by the Withdrawn Member in respect of the settlement of his interest in the Company (e.g. , payments in respect of Investments pursuant to paragraph (f) above or adjustments to reserves pursuant to paragraph (j) below) promptly after such amounts are determined by the Managing Member. To the fullest extent permitted by law, such statements and the valuations on which they are based shall be accepted by the Withdrawn Member without examination of the accounting books and records of the Company or other inquiry. Any amounts payable by the Company to a Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment or provision for payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to the applicable date of payment or distribution; provided , that such Withdrawn Member shall otherwise rank pari passu in right of payment (x) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year before the Withdrawal Date of the Withdrawn Member in question and (y) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year after the Withdrawal Date of the Withdrawn Member in question.

(j) If the aggregate reserves established by the Managing Member as of the Settlement Date in making the foregoing calculations should prove, in the determination of the Managing Member, to be excessive or inadequate, the Managing Member may elect, but shall not be obligated, to pay the Withdrawn Member or his estate such excess, or to charge the Withdrawn Member or his estate such deficiency, as the case may be.

(k) Any amounts owed by the Withdrawn Member to the Company at any time on or after the Settlement Date (e.g. , outstanding Company loans or advances to such Withdrawn Member) shall be offset against any amounts payable or distributable by the Company to the Withdrawn Member at any time on or after the Settlement Date or shall be paid by the Withdrawn Member to the Company, in each case as determined by the Managing Member. All cash amounts payable by a Withdrawn Member to the Company under this Section 6.5 shall bear interest from the due date to the date of payment at a floating rate equal to the lesser of (x) the rate of interest publicly announced from time to time by JPMorgan Chase Bank in New York City as its prime rate and (y) the maximum rate of interest permitted by applicable law. The "due date" of amounts payable by a Withdrawn Member pursuant to Section 6.5(i) above shall be 120 days after a Withdrawn Member's Settlement Date. The "due date" of amounts payable to or by a Withdrawn Member in respect of Investments for which the Withdrawn Member has retained a percentage interest in accordance with paragraph (f) above shall be 120 days after realization with respect to such Investment. The "due date" of any other amounts payable by a Withdrawn Member shall be 60 days after the date such amounts are determined to be payable.

(l) At the time of the settlement of any Withdrawn Member's interest in the Company pursuant to this Section 6.5, the Managing Member may, to the fullest extent permitted by applicable law, impose any restrictions it deems appropriate on the assignment, pledge, encumbrance or other transfer by such Withdrawn Member of any interest in any Investment retained by such Withdrawn Member, any securities or other investments distributed in kind to such Withdrawn Member or such Withdrawn Member's right to any payment from the Company.

(m) If a Member is required to Withdraw from the Company for Cause pursuant to Section 6.2(d), then his Interest shall be settled in accordance with paragraphs (a)-(m) of this Section 6.5; provided , that the Managing Member may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement:

(i) In settling the Withdrawn Member's interest in any Investment in which he has an interest as of his Settlement Date, the Managing Member may elect to (A) determine the Unrealized Net Income (Loss) attributable to each such Investment as of the Settlement Date and allocate to the appropriate capital account of the Withdrawn Member his allocable share of such Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Member's capital account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Member with the balance of his capital account or portion thereof attributable to each such Investment as of his Settlement Date without giving effect to the Unrealized Net Income (Loss) from such Investment as of his Settlement Date, which shall be forfeited by the Withdrawn Member or (C) apply the provisions of paragraph (f) above, provided , that the maximum amount of Net Income (Loss) allocable to such Withdrawn Member with respect to any Investment shall equal such Member's percentage interest of the Unrealized Net Income, if any, attributable to such Investment as of the Settlement Date (the balance of such Net Income (Loss), if any, shall be allocated as determined by the Managing Member). The Withdrawn Member shall not have any continuing interest in any Investment to the extent an election is made pursuant to (A) or (B) above.

(ii) Any amounts payable by the Company to the Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to or on or after the applicable date of payment or distribution.

(n) The payments to a Withdrawn Member pursuant to this Section 6.5 may be conditioned on the compliance by such Withdrawn Member with any lawful and reasonable (under the

circumstances) restrictions against engaging or investing in a business competitive with that of the Company or any of its subsidiaries and affiliates for a period not exceeding two years determined by the Managing Member. Upon written notice to the Managing Member, any Withdrawn Member who is subject to noncompetition restrictions established by the Managing Member pursuant to this paragraph (o) may elect to forfeit the principal amount payable in the final installment of his subordinated promissory note under paragraph (k) above, together with interest to be accrued on such installment after the date of forfeiture, in lieu of being bound by such restrictions.

(o) In addition to the foregoing, the Managing Member shall have the right to pay a Withdrawn Member (other than the Managing Member) a discretionary additional payment in an amount and based upon such circumstances and conditions as it determines to be relevant.

(p) The provisions of this Section 6.5 shall apply to any Investor Special Member relating to a Regular Member or Special Member and to any transferee of any interest of such Member pursuant to Section 6.3 if such Member Withdraws from the Company.

(q) (i) The Company will assist a Withdrawn Member or his estate or guardian, as the case may be, in the settlement of the Withdrawn Member's Interest in the Company. Third party costs incurred by the Company in providing this assistance will be borne by the Withdrawn Member or his estate.

(ii) The Company may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Members or their estates or guardians, as referred to above. In such instances, the Company will obtain the prior approval of a Withdrawn Member or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his estate or guardian) declines to incur such costs, the Company will provide such reasonable assistance as and when it can so as not to interfere with the Company's day-to-day operating, financial, tax and other related responsibilities to the Company and the Members.

(r) Each Member (other than the Managing Member) hereby irrevocably appoints the Managing Member as such Member's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file, on behalf of such Member, any and all agreements, instruments, documents and certificates which the Managing Member deems necessary or advisable in connection with any transaction or matter contemplated by or provided for in this Section 6.5, including, without limitation, the performance of any obligation of such Member or the Company or the exercise of any right of such Member or the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Company of any Member for any reason and shall not be affected by the death, disability or incapacity of such Member.

6.6. Dissolution of the Company . The Managing Member may dissolve the Company prior to the expiration of its term at any time on not less than 60 days' notice of the dissolution date given to the other Members. Upon the dissolution of the Company, and following the payment of creditors of the Company and the making of provisions for the payment of any contingent, conditional or unmatured claims known to the Company as required under the LLC Act, the Members' respective interests in the Company shall be valued and settled in accordance with the procedures set forth in Section 6.5 which provide for allocations to the capital accounts of the Members and distributions in accordance with the capital account balances of the Members. The Managing Member shall be the liquidator. In the event that the Managing Member is unable to serve as the liquidator, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Members voting at a meeting of Members (excluding Nonvoting Special Members).

6.7. Certain Tax Matters . (a) All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members for Federal, state and local income tax purposes in the same manner as such items of income, gain, loss, deduction and credit shall be allocated among the Members pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. To the extent Treasury Regulations promulgated pursuant to Subchapter K of the Code (including under Sections 704(b) and (c) of the Code) or other applicable law require allocations for tax purposes that differ from the foregoing allocations, the Managing Member may determine the manner in which such tax allocations shall be made so as to comply more fully with such Treasury Regulations or other applicable law and, at the same time, preserve the economic relationships among the Members as set forth in this Agreement. In the event there is a net decrease in partnership minimum gain or partner nonrecourse debt minimum gain (determined in accordance with the principles of Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Company, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to its respective share of such net decrease during such year, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(f). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Regulations Section 1.704-1(b)(2)(ii)(d).

(b) The Managing Member shall cause to be prepared all Federal, state and local tax returns of the Company for each year for which such returns are required to be filed and, after approval of such returns by the Managing Member, shall cause such returns to be timely filed. The Managing Member shall determine the appropriate treatment of each item of income, gain, loss, deduction and credit of the Company and the accounting methods and conventions under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of any such item or any other method or procedure related to the preparation of such tax returns. The Managing Member may cause the Company to make or refrain from making any and all elections permitted by such tax laws. Each Member agrees that he shall not, unless he provides prior notice of such action to the Company, (i) treat, on his individual income tax returns, any item of income, gain, loss, deduction or credit relating to his interest in the Company in a manner inconsistent with the treatment of such item by the Company as reflected on the Form K-1 or other information statement furnished by the Company to such Member for use in preparing his income tax returns or (ii) file any claim for refund relating to any such item based on, or which would result in, such inconsistent treatment. In respect of an income tax audit of any tax return of the Company, the filing of any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company, or any administrative or judicial proceedings arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, (A) the Tax Matters Member (as defined below) shall be authorized to act for, and his decision shall be final and binding upon, the Company and all Members except to the extent a Member shall properly elect to be excluded from such proceeding pursuant to the Code, (B) all expenses incurred by the Tax Matters Member in connection therewith (including, without limitation, attorneys', accountants' and other experts' fees and disbursements) shall be expenses of the Company and (C) no Member shall have the right to (1) participate in the audit of any Company tax return, (2) file any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company (unless he provides prior notice of such action to the Company as provided above), (3) participate in any administrative or judicial proceedings conducted by the Company or the Tax Matters Member arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, or (4) appeal, challenge or otherwise protest any adverse findings in any such audit conducted by the Company or the Tax Matters Member or with respect to any such amended return or claim for refund filed by the Company or the Tax Matters Member or in any such

administrative or judicial proceedings conducted by the Company or the Tax Matters Member. The Company and each Member hereby designate any Member selected by the Managing Member as the "tax matters partner" for purposes of Section 6231(a)(7) of the Code (the " Tax Matters Member "). To the fullest extent permitted by applicable law, each Member agrees to indemnify and hold harmless the Company and all other Members from and against any and all liabilities, obligations, damages, deficiencies and expenses resulting from any breach or violation by such Member of the provisions of this Section 6.8 and from all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees and disbursements, incident to any such breach or violation.

(c) Each individual Member shall provide to the Company copies of each Federal, state and local income tax return of such Member (including any amendment thereof) within 30 days after filing such return.

6.8. Special Basis Adjustments . In connection with any assignment or transfer of a Company interest permitted by the terms of this Agreement, the Managing Member may cause the Company, on behalf of the Members and at the time and in the manner provided in Code Regulations Section 1.754-1(b), to make an election to adjust the basis of the Company's property in the manner provided in Sections 734(b) and 743(b) of the Code.

ARTICLE VII

MISCELLANEOUS

7.1. Submission to Jurisdiction; Waiver of Jury Trial . (a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the Managing Member may bring, or may cause the Company to bring, on behalf of the Managing Member or the Company or on behalf of one or more Members, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Member (i) expressly consents to the application of paragraph (c) of this Section 7.1 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Managing Member as such Member's agent for service of process in connection with any such action or proceeding and agrees that service of process upon any such agent, who shall promptly advise such Member of any such service of process, shall be deemed in every respect effective service of process upon the Member in any such action or proceeding.

(c) (i) EACH MEMBER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS

SECTION 7.1, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 7.1 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 7.1 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq.) (the " Delaware Arbitration Act "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 7.1, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 7.1. In that case, this Section 7.1 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 7.1 shall be construed to omit such invalid or unenforceable provision.

7.2. Ownership and Use of the Company Name . The Company acknowledges that Blackstone Financial Services Inc. (" BFS "), a Delaware corporation with a principal place of business at 345 Park Avenue, New York, New York 10154, (or its successors or assigns) is the sole and exclusive owner of the mark and name BLACKSTONE and that the ownership of, and the right to use, sell or otherwise dispose of, the firm name or any abbreviation or modification thereof which consists of or includes BLACKSTONE, shall belong exclusively to BFS, which company (or its predecessors, successors or assigns) has licensed the Company to use BLACKSTONE in its name. The Company acknowledges that BFS owns the service mark BLACKSTONE for various services and that the Company is using the BLACKSTONE mark and name on a non-exclusive, non-sublicensable and non-assignable basis in connection with its business and authorized activities with the permission of BFS. All services rendered by the Company under the BLACKSTONE mark and name will be rendered in a manner and with quality levels that are consistent with the high reputation heretofore developed for the BLACKSTONE mark by BFS and its affiliates and licensees. The Company understands that BFS may terminate its right to use BLACKSTONE at any time in BFS sole discretion by giving the Company written notice of termination. Promptly following any such termination, the Company will take all steps necessary to change its company name to one which does not include BLACKSTONE or any confusingly similar term and cease all use of BLACKSTONE or any term confusingly similar thereto as a service mark or otherwise.

7.3. Written Consent . Any action required or permitted to be taken by a vote of Members at a meeting may be taken without a meeting if a Majority in Interest of the Members consent thereto in writing.

7.4. Letter Agreements; Schedules . The Managing Member may, or may cause the Company to, enter into separate letter agreements with individual Members, officers or employees with respect to Profit Sharing Percentages, benefits or any other matter, in each case on terms and conditions not inconsistent with this Agreement. The Managing Member may from time to time execute and deliver to the Members schedules which set forth the then current capital balances and Profit Sharing Percentages

of the Members and any other matters deemed appropriate by the Managing Member. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever; provided , that this in no way limits the effectiveness of any Commitment Agreement.

7.5. Governing Law; Separability of Provisions . This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to principles of conflict of laws. In particular, the Company has been formed pursuant to the LLC Act, and the rights and liabilities of the Members shall be as provided therein, except as herein otherwise expressly provided. If any provision of this Agreement shall be held to be invalid, such provision shall be given its meaning to the maximum extent permitted by law and the remainder of this Agreement shall not be affected thereby.

7.6. Successors and Assigns . This Agreement shall be binding upon and shall, subject to the penultimate sentence of Section 6.3(a), inure to the benefit of the parties hereto, their respective heirs and personal representatives, and any successor to a trustee of a trust which is or becomes a party hereto; provided , that no person claiming by, through or under a Member (whether such Member's heir, personal representative or otherwise), as distinct from such Member itself, shall have any rights as, or in respect to, a Member (including the right to approve or vote on any matter or to notice thereof) except the right to receive only those distributions expressly payable to such person pursuant to Article VI. Any Member or Withdrawn Member shall remain liable for the obligations under this Agreement (including any Net Recontribution Amounts) of any transferee of all or any portion of such Member's or Withdrawn Member's interest in the Company, unless waived by the Managing Member. The Company shall, if the Managing Member determines, in its good faith judgment, based on the standard set forth in Section 5.8(d)(ii), to pursue such transferee, pursue payment (including any Net Recontribution Amounts) from the transferee with respect to any such obligations. Nothing in this Agreement is intended, nor shall anything herein be construed, to confer any rights, legal or equitable, on any person other than the Members and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, the provisions of Section 5.8(d) (and the definitions relating thereto) shall inure to the benefit of the limited partners in BCP IV, such limited partners are intended third party beneficiaries of Section 5.8(d) (and the definitions relating thereto) and such limited partners shall have the right to enforce the provisions thereof to the extent Other Fund GPs do not satisfy the Clawback Provisions and/or the Giveback Provisions. The amendment of the provisions of Section 5.8(d) (and the definitions relating thereto) shall be effective against such limited partners only with the consent of the limited partners of BCP IV as set forth in the BCP IV Agreements.

7.7. Confidentiality . By executing this Agreement, each Member expressly agrees, at all times during the term of the Company and thereafter and whether or not at the time a Member of the Company, to maintain the confidentiality of, and not to disclose to any person other than the Company, another Member or a person designated by the Company, any information relating to the business, financial structure, financial position or financial results, clients or affairs of the Company that shall not be generally known to the public or the securities industry, except as otherwise required by law or by any regulatory or self-regulatory organization having jurisdiction; provided , that any corporate Member may disclose any such information it is required by law, rule, regulation or custom to disclose.

7.8. Notices . Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including telecopy or similar writing) and shall be given to any Member at its address or telecopy number shown in the Company's books and records or, if given to the Managing Member, at the address of the Company provided herein. Each such notice shall be effective (i) if given by telecopy, upon dispatch, and (ii) if given by hand delivery, when delivered to the address of such Member or Managing Member specified as aforesaid.

7.9. Counterparts . This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute a single instrument.

7.10. Power of Attorney . Each Member hereby irrevocably appoints the Managing Member as such Member's true and lawful representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file all instruments, documents and certificates which, from time to time, may be required to set forth any amendment to this Agreement or

may be required by this Agreement or by the laws of the United States of America, the State of Delaware or any other state in which the Company shall determine to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the subsequent Withdrawal from the Company of any Member for any reason and shall not be affected by the subsequent disability or incapacity of such Member.

7.11. Member's Will . Each Member and Withdrawn Member shall include in his or her will a provision that addresses certain matters in respect of his or her obligations relating to the Company that is satisfactory to the Managing Member and each such Member and Withdrawn Member shall confirm annually to the Company, in writing, that such provision remains in his current will. Where applicable, any estate planning trust of such Member or Withdrawn Member to which a portion of such Member's or Withdrawn Member's Interest is transferred shall include a provision substantially similar such provision and the trustee of such trust shall confirm annually to the Company, in writing, that such provision or its substantial equivalent remains in such trust. In the event any Member or Withdrawn Member fails to comply with the provisions of this Section 7.11 after the Company has notified such Member or Withdrawn Member of his failure to so comply and such failure to so comply is not cured within 30 days of such notice, the Company may withhold any and all distributions to such Member until the time at which such party complies with the requirements of this Section 7.11.

7.12. Cumulative Remedies . Rights and remedies under this Agreement are cumulative and do not preclude use of other rights and remedies available under applicable law.

7.13. Legal Fees . Except as more specifically provided herein, in the event of a legal dispute (including litigation, arbitration or mediation) between any Member or Withdrawn Member and the Company, arising in connection with any party seeking to enforce Section 4.1 (d) or any other provision of this Agreement relating to the Holdback, the Clawback Amount, the Giveback Amount or the Recontribution Amount, the "losing" party to such dispute shall promptly reimburse the "victorious party" for all reasonable legal fees and expenses incurred in connection with such dispute (such determination to be made by the relevant adjudicator). Any amounts due under this Section 7.13 shall be paid within 30 days of the date upon which such amounts are due to be paid and such amounts remaining unpaid after such date shall accrue interest at the Default Interest Rate.

7.14. Entire Agreement . This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. Subject to Section 7.4, this Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written. In the event that it is impracticable to obtain the signature of any of the Members to this Agreement, this Agreement shall be binding among the other Members executing the same.

MANAGING MEMBER:

BLACKSTONE HOLDINGS III L.P.

By: Blackstone Holdings III GP L.L.C.,
its General Partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Authorized Person

Exhibit 10.16

BLACKSTONE MEZZANINE MANAGEMENT ASSOCIATES L.L.C.

SECOND AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT

DATED AS OF MAY 31, 2007

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BLACKSTONE MEZZANINE MANAGEMENT ASSOCIATES L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT of Blackstone Mezzanine Management Associates L.L.C. (the "Company"), dated as of May 31, 2007, by and among Blackstone Holdings II L.P., a Delaware limited partnership (the "Managing Member" or "Holdings"), the other members of the Company as provided on the signature pages hereto, and such other persons that are admitted to the Company as members after the date hereof in accordance herewith.

WITNESSETH:

WHEREAS, the Company was formed under the LLC Act (defined below) pursuant to a certificate of formation filed in the office of the Secretary of State of the State of Delaware on March 22, 1999;

WHEREAS, the original limited liability company agreement of the Company was executed as of March 19, 1999 (the "Original Operating Agreement");

WHEREAS, the Original Operating Agreement was amended and restated in its entirety by the Amended and Restated Limited Liability Company Agreement, dated as of October 22, 1999, of the Company (as amended to date, the "First Amended and Restated Operating Agreement"); and

WHEREAS, the parties hereto now wish to amend and restate the First Amended and Restated Operating Agreement in its entirety as of the date hereof as more fully set forth below.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions . Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

"Agreement" means this Second Amended and Restated Limited Liability Company Agreement, as it may be further amended and restated from time to time.

"Applicable Collateral Percentage" shall have the meaning with respect to any Firm Collateral and any Special Firm Collateral, in each case, as set forth in the books and records of the Company with respect thereto.

"BCP" means the collective reference to Blackstone Capital Partners L.P., a Delaware limited partnership, and any other investment vehicle established in accordance with the terms of Blackstone Capital Partners L.P.'s partnership agreement to invest in lieu of Blackstone Capital Partners L.P. on behalf of one or more of the partners thereof.

"BCP II" means the collective reference to Blackstone Capital Partners II Merchant Banking Fund L.P., a Delaware limited partnership formerly known as Blackstone Domestic Capital Partners II L.P., Blackstone Offshore Capital Partners II L.P., a Cayman Islands exempted limited partnership, and any other investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreements of either of such partnerships.

"BCP III" is the collective reference to Blackstone Capital Partners III Merchant Banking Fund L.P., a Delaware limited partnership, Blackstone Offshore Capital Partners III L.P., a Cayman Islands exempted limited partnership, and any other investment vehicle or structure formed to invest in lieu thereof (in whole or in part).

"BFMEZP" means Blackstone Family Mezzanine Partnership L.P., a Delaware limited partnership.

"BMEZA" means Blackstone Mezzanine Associates L.P., a Delaware limited partnership.

"BMEZCA" means Blackstone Mezzanine Capital Associates L.P., a Delaware limited partnership, and any other partnership with terms substantially similar to the terms set forth in the BMEZCA Partnership Agreement and formed in connection with the participation by one or more partners of BMEZCA in investments in Securities issued by non-U.S. Issuers.

"BMEZCA Partnership Agreement" means the Amended and Restated Agreement of Limited Partnership of Blackstone Mezzanine Capital Associates L.P., to be dated as of a date on or about the Initial Fund Closing Date, as amended from time to time, and any other BMEZCA partnership agreement.

"BMEZH" means Blackstone Mezzanine Holdings L.P., a Delaware limited partnership.

"BMEZP" means (i) Blackstone Mezzanine Partners L.P., a Delaware limited partnership, (ii) any other Parallel Funds or other Supplemental Capital Vehicles (each as defined in the BMEZP Partnership Agreement), or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

"BMEZP Investment" means the Company's indirect interest in a specific BMEZP investment pursuant to the BMEZP Partnership Agreement in its capacity as an indirect partner of BMEZP, but does not include any direct or indirect investment by the Company on a side-by-side basis in any BMEZP investment.

"BMEZP Partnership Agreement" means the Amended and Restated Limited Partnership Agreement, to be dated as a date on or about the Initial Fund Closing Date, of the partnership referred to in clause (i) of the definition of "BMEZP" in this Article I, and any other BMEZP partnership agreement.

"BREP I" means (i) Blackstone Real Estate Partners I L.P., Blackstone Real Estate Partners Two L.P. (formerly known as Blackstone Real Estate Partners II L.P.), Blackstone Real Estate Partners III L.P. (formerly known as Blackstone Real Estate Partners III L.P.) and Blackstone Real Estate Partners IV L.P., each a Delaware limited partnership, (ii) any other investment vehicle established pursuant to Article 2 of the respective partnership agreements for any of the partnerships referred to in clause (i) above and (iii) any investment vehicle formed to co-invest with the partnerships referred to in clause (i) above using third party capital and that potentially pays a Carried Interest.

"BREP II" means (i) Blackstone Real Estate Partners II L.P., Blackstone Real Estate II.TE.1 L.P., Blackstone Real Estate Partners II.TE.2 L.P., Blackstone Real Estate Partners II.TE.3 L.P., Blackstone Real Estate Partners II.TE.4 L.P., and Blackstone Real Estate Partners II.TE.5 L.P., each a Delaware limited partnership, (ii) any other investment vehicle established pursuant to Article 2 of the respective partnership agreements for any of the partnerships referred to in clause (i) above (including "REITs" and the general partnerships in which they invest), and (iii) Supplemental Capital Vehicles (as defined in the BREP II Partnership Agreement) formed in connection with any investments made thereby.

"BREP III" means (i) Blackstone Real Estate Partners III L.P., Blackstone Real Estate Partners III.TE.1 L.P., Blackstone Real Estate Partners III.TE.2 L.P. and Blackstone Real Estate Partners III.TE.3 L.P., each a Delaware limited partnership, (ii) any other Parallel Funds or other Supplemental Capital Vehicles (each as defined in the BREP III Partnership Agreement), and (iii) any other investment vehicle established pursuant to Article 2 of the respective partnership agreements for any of the partnerships referred to in clause (i) above.

"Carried Interest" shall mean (i) "Carried Interest Distributions" (as defined in the BMEZP Partnership Agreement) (or distributions to the general partner of BMEZP pursuant to similar provisions of investment vehicles formed after the date hereof) and (ii) any other carried interest distributions to the general partner of BMEZP pursuant to the BMEZP Partnership Agreement. In each case of (i) and (ii) above, except as determined by the Managing Member, the amount shall not be less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto (in each case which the Managing Member may allocate amongst all or any portion of the Investments as it determines in good faith is appropriate).

"Carried Interest Give Back Percentage" shall mean, for any Member or Withdrawn Member, subject to Section 5.7(e), the percentage determined by dividing (A) the aggregate amount of distributions received by such Member or Withdrawn Member from the Company, any Other Fund GPs or their affiliates, excluding Holdings, in respect of Carried Interest by (B) the aggregate amount of distributions made to all Members, Withdrawn Members or any other person by the Company, any Other Fund GP or their Affiliates (in any capacity), excluding Holdings, in respect of Carried Interest. For purposes of determining "Carried Interest Give Back Percentage" hereunder, all Trust Amounts contributed to the Trust by the Company, Other Fund GPs or their Affiliates on behalf of a Member or Withdrawn Member (but not the Trust Income thereon) shall be deemed to have been initially distributed or paid to the Members and Withdrawn Members as members or partners of the Company, any of the Other Fund GPs or their Affiliates.

"Carried Interest Sharing Percentage" means, with respect to each Investment, the percentage interest of a Member in Carried Interest from such Investment set forth in the books and records of the Company.

"Cause" means the occurrence or existence of any of the following with respect to any Member, as determined fairly, reasonably, on an informed basis and in good faith by the Managing Member: (i) (w) any breach by any Member of any provision of any non-competition agreement, (x) any material breach of this Agreement or any rules or regulations applicable to such Member that are established by the Managing Member, (y) such Member's deliberate failure to perform his or her duties to the Company, or (z) such Member's committing to or engaging in any conduct or behavior that is or may be harmful to the Company in a material way as determined by the Managing Member; provided , that in the case of any of the foregoing clauses (w), (x), (y) and (z), the Managing Member has given such Member written notice (a " *Notice of Breach* ") within fifteen days after the Managing Member becomes aware of such action and such Member fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt of such Notice of Breach from the Managing Member (or such longer period, not to exceed an additional fifteen days, as shall be reasonably required for such cure, provided that such Member is diligently pursuing such cure); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Company; or (iii) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a regulatory body or by a self-regulatory body having authority with respect to securities laws, rules or regulations of the applicable securities industry, that such Member individually has violated any applicable securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Member's ability to function as a Member of the Company, taking into account the services required of such Member and the nature of the Company's business or (B) the business of the Company.

"Charitable Organization" means an organization described in Section 170(c) of the Code (without regard to Section 170(c)(2)(A) thereof).

"Class A Interest" has the meaning set forth in Section 5.7(a)(ii).

"Class B Interest" has the meaning set forth in Section 5.7(a)(ii).

"Clawback Adjustment Amount" has the meaning set forth in Section 5.7(e)(ii)(C).

"Clawback Amount" shall mean the "Clawback Amount" as set forth in Article One of the BMEZP Partnership Agreement, and any other clawback amount payable to the limited partners of BMEZP pursuant to any BMEZP Partnership Agreement, as applicable.

"Clawback Provisions" shall mean paragraph 9.2.8 of the BMEZP Partnership Agreement and any other similar provisions in any other BMEZP Partnership Agreement existing heretofore or hereafter entered into.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute. Any reference herein to a particular provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

"Commitment", with respect to any Member, has the meaning set forth in such Member's Commitment Agreement or SMD Agreement.

"Commitment Agreement" shall mean a commitment agreement by which a Member has committed to fund certain amounts with respect to the BMEZP Investments and certain expenses of BMEZP.

"Company" has the meaning set forth in the preamble hereto.

"Contingent" means subject to repurchase rights and/or other requirements.

"Deceased Member" shall mean any Member or Withdrawn Member who has died or who suffers from Incompetence. For purposes hereof, references to a Deceased Member shall refer collectively to the Deceased Member and the estate and heirs or legal representative of such Deceased Member, as the case may be, that have received such Deceased Member's interest in the Company.

"Defaulting Party" has the meaning set forth in Section 5.7(e)(ii)(A).

"Default Interest Rate" shall mean the lower of (i) the sum of (a) the rate of interest per annum publicly announced from time to time by The Chase Manhattan Bank as its prime rate and (b) 5%, and (ii) the highest rate of interest permitted under applicable law.

"Deficiency Contribution" has the meaning set forth in Section 5.7(d)(ii)(A)

"Disposable Investment" has the meaning set forth in Section 5.7(a)(ii).

"Estate Planning Vehicle" has the meaning set forth in Section 6.3.

"Excess Holdback" has the meaning set forth in Section 4.1(d)(v)(A).

"Excess Holdback Percentage" has the meaning set forth in Section 4.1(d)(v)(A).

"Excess Tax-Related Amount" has the meaning set forth in Section 5.7(e)(i)(E).

"Existing Member" shall mean any Member who is neither a Retaining Withdrawn Member nor a Deceased Member.

"Firm Collateral" shall mean a Member's or Withdrawn Member's interest in one or more partnerships or limited liability companies, in either case affiliated with the Company, and certain other assets of such Member or Withdrawn Member, in each case that has been pledged or made available to the Trustee(s) to satisfy all or any portion of the Excess Holdback of such Member or Withdrawn Member as more fully described in the books and records of the Company; provided, that for all purposes hereof (and any other agreement (i.e., the Trust Agreement) that incorporates the meaning of the term "Firm Collateral" by reference), references to "Firm Collateral" shall include "Special Firm Collateral", excluding references to "Firm Collateral" in Section 4.1(d)(v) and Section 4.1(d)(viii).

"Firm Collateral Realization" has the meaning set forth in Section 4.1(d)(v)(B).

"Fiscal Year" shall mean a calendar year, or any other period chosen by the Managing Member.

"Fund GP" means the Company and the Other Fund GPs.

"GAAP" has the meaning specified in Section 5.1.

"Giveback Amount" shall mean the aggregate of the "Investment-Related Giveback Amount" and "Other Giveback Amount" as such terms are defined in the BMEZP Partnership Agreement.

"Giveback Provisions" shall mean paragraph 3.4.3 of the BMEZP Partnership Agreement and any other similar provisions in any other BMEZP Partnership existing heretofore or hereafter formed.

"Holdback" has the meaning set forth in Section 4.1(d)(i).

"Holdback Percentage" has the meaning set forth in Section 4.1(d)(i).

"Holdback Vote" has the meaning set forth in Section 4.1(d)(iv)(A).

"Holdings" has the meaning set forth in the preamble hereto.

"Incompetence" means, with respect to any Member, the determination by the Managing Member in its sole discretion, after consultation with a qualified medical doctor, that such Member is incompetent to manage his person or his property.

"Inflation Index" means (i) the GNP deflator, which is the fixed-weighted price index representing the average change in the United States gross national product as published in the Survey of Current Business by the National Income and Wealth Division of the Bureau of Economic Analysis of the U.S. Department of Commerce, or (ii) such other index measuring changes in economic prices in the United States as shall be selected by the Managing Member.

"Initial Fund Closing Date" means the initial closing date under the BMEZP Partnership Agreement.

"Initial Holdback Percentages" has the meaning set forth in Section 4.1(d)(i).

"Interest" means a limited liability company interest (as defined in § 18-101(8) of the LLC Act) in the Company, including those that are held by a Retaining Withdrawn Member.

"Investment" means any investment (direct or indirect) of the Company designated by the Managing Member from time to time as an investment in which the Members' respective interests shall be established and accounted for on a basis separate from the Company's other businesses, activities and investments, including any BMEZP Investments.

"Investor Special Member" means any Special Member so designated by the Managing Member at the time of its admission as a Member of the Company.

"L/C" has the meaning set forth in Section 4.1(d)(vi).

"L/C Member" has the meaning set forth in Section 4.1(d)(vi).

"LLC Act" means the Delaware Limited Liability Company Act, 6 Del.C. § 18-101, et seq., as it may be amended from time to time, and any successor to such statute.

"Loss Amount" has the meaning set forth in Section 5.7(e)(i)(A).

"Loss Investment" has the meaning set forth in Section 5.7(e).

"Majority in Interest of the Members" on any date (a "vote date") means one or more persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date and who, as of the last day of the most recent accounting period ending on or prior to the vote date (or as of such later date on or prior to the vote date selected by the Managing Member as of which the Members' capital account balances can be determined), have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date.

"Managing Member" has the meaning specified in the preamble hereto.

"Member" means any person who is a member of the Company, including the Regular Members, the Managing Member and the Special Members. Except as otherwise specifically provided herein, no group of Members, including the Special Members and any group of Members in the same Member Category, shall have any right to vote as a class on any matter relating to the Company, including, but not limited to, any merger, reorganization, dissolution or liquidation.

"Member Category" shall mean the Managing Member, Existing Members, Retaining Withdrawn Members or Deceased Members, each referred to as a group for purposes hereof.

"Moody's" means Moody's Investors Services, Inc., or any successor thereto.

"Net Carried Interest Distribution" has the meaning set forth in Section 5.7(e)(i)(C).

"Net Carried Interest Distribution Recontribution Amount" has the meaning set forth in Section 5.7(e).

"Net Income (Loss)" has the meaning set forth in Section 5.1(b).

"Net Recontribution Amount" has the meaning set forth in Section 5.7(d)(i)(A).

"Non-Carried Interest" means, with respect to each Investment, all amounts of distributions, other than Carried Interest, received by the Company with respect to such Investment, less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto, in each case which the Managing Member may allocate to all or any portion of the Investments as it may determine in good faith is appropriate.

"Non-Carried Interest Sharing Percentage" means, with respect to each Investment, the percentage interest of a Member in Non-Carried Interest from such Investment set forth in the books and records of the Company.

"Non-Contingent" means generally not subject to repurchase rights or other requirements.

"Nonvoting Special Member" has the meaning set forth in Section 6.1(a).

"Other Fund GPs" means BMEZA, BMEZCA, and any other entity through which any Member, Withdrawn Member or any other person directly receives any amounts of Carried Interest, and any successor thereto; provided, that this includes any other entity which has in its organizational documents a provision which indicates that it is a "Fund GP" or an "Other Fund GP"; provided further, that notwithstanding any of the foregoing, none of Holdings, any estate planning vehicle established for the benefit of family members of any Member or any member or partner of any Other Fund GP shall be considered an "Other Fund GP" for purposes hereof; provided further, that the foregoing exclusion of such estate planning vehicles shall in no way limit such Members' obligations pursuant to Section 5.7(e).

"Profit Sharing Percentage" means the "Carried Interest Sharing Percentage" and "Non-Carried Interest Sharing Percentage" of each Member; provided, that any references in this Agreement to Profit Sharing Percentages made (a) in connection with voting or voting rights or (b) capital contributions with respect to Investments (including Section 5.3(d)) shall mean the "Non-Carried Interest Sharing Percentage" of each Member; provided further, that any reference in this Agreement to Profit Sharing Percentage that specifically refers to Net Income unrelated to BMEZP shall continue to refer to the amount of each Member's percentage interest in a category of Net Income (Loss) established by the Managing Member from time to time pursuant to Section 5.3.

"Qualifying Fund" means any fund designated by the Managing Member as a "Qualifying Fund".

"Recontribution Amount" has the meaning set forth in Section 5.7(e)(i).

"Regular Member" shall mean any Member, excluding the Managing Member and any Special Member.

"Repurchase Period" has the meaning set forth in Section 5.7(c).

"Required Amounts" has the meaning set forth in Section 3.2(a)(ii).

"Required Rating" has the meaning set forth in Section 4.1(d)(vi).

"Retaining Withdrawn Member" shall mean a Withdrawn Member who has retained an Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Member shall be considered a Nonvoting Special Member for all purposes hereof.

"Securities" means any debt or equity securities of an Issuer and its subsidiaries and other Controlled Entities constituting part of an Investment, including without limitation common and preferred stock and interests in limited partnerships (including warrants, rights, put and call options and other options relating thereto or any combination thereof), notes, bonds, debentures, trust receipts and other obligations, instruments or evidences of indebtedness, choses in action, other property or interests commonly regarded as securities, interests in real property, whether improved or unimproved, interests in oil and gas properties and mineral properties, short-term investments commonly regarded as money-market investments, bank deposits and interests in personal property of all kinds, whether tangible or intangible.

"Settlement Date" has the meaning set forth in Section 6.5(a).

"SMD Agreements" means the agreements between the Company and/or one or more of its affiliates and the Members, pursuant to which each Member undertakes certain obligations with respect to the Company and/or its affiliates. The SMD Agreements are hereby incorporated by reference as between the Company and the relevant Member.

"Special Firm Collateral" means interests in a Qualifying Fund that have been pledged to the Trustee(s) to satisfy all or any portion of a Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) as more fully described in the Company's books and records.

"Special Firm Collateral Realization" has the meaning set forth in Section 4.1(d)(viii)(B).

"Special Member" means any person shown on the books and records of the Company as a Special Member of the Company, including any Nonvoting Special Member, and any Investor Special Member.

"S&P" means Standard & Poor's Corporation, and any successor thereto.

"Subject Investment" has the meaning set forth in Section 5.7(e).

"Subject Member" has the meaning set forth in Section 4.1(d)(iv)(A) of this Agreement.

"Total Disability" means the inability of a Member substantially to perform the services required of a Regular Member for a period of six consecutive months by reason of physical or mental illness or incapacity and whether arising out of sickness, accident or otherwise.

"Trust Account" has the meaning set forth in the Trust Agreement.

"Trust Agreement" means the Trust Agreement, dated as of a date on October 22, 1999, as amended to date, the Trustee(s) and certain other persons that may receive distributions in respect of or relating to Carried Interest from time to time as amended from time to time.

"Trust Amount" has the meaning set forth in the Trust Agreement.

"Trust Income" has the meaning set forth in the Trust Agreement.

"Trustee(s)" has the meaning set forth in the Trust Agreement.

"Unadjusted Carried Interest Distributions" has the meaning set forth in Section 5.7(e)(i)(B).

"Unallocated Percentage" has the meaning set forth in Section 5.3(b).

"Unrealized Net Income (Loss)" attributable to any BMEZP Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such BMEZP Investment if BMEZP's entire portfolio of investments were sold on such date for cash in an amount equal to their aggregate value on such date (determined in accordance with Section 5.1(e)) and all distributions payable by BMEZP to the Company (indirectly) pursuant to the BMEZP Partnership Agreement with respect to such BMEZP Investment were made on such date. "Unrealized Net Income (Loss)" attributable to any other Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such Investment if such Investment were sold on such date for cash in an amount equal to its value on such date (determined in accordance with Section 5.1(e)).

"Withdraw" or "Withdrawal" with respect to a Member means a Member ceasing to be a member of the Company (except as a Retaining Withdrawn Member) for any reason (including death, disability, removal, resignation or retirement, whether such is voluntary or involuntary), unless the context shall limit the type of withdrawal to a specific reason and subject to any written agreements between a Member and the Company or an affiliate thereof, and "Withdrawn" with respect to a Member means, as aforesaid, a Member who has ceased to be a member of the Company.

"Withdrawal Date" has the meaning set forth in Section 6.5(a).

"Withdrawn Member" has the meaning set forth in Section 6.5(a).

1.2 Terms Generally . The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The term "person" includes individuals, partnerships (including limited liability partnerships), companies (including limited liability companies), joint ventures, corporations, trusts, governments (or agencies or political subdivisions thereof) and other associations and entities. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

GENERAL PROVISIONS

2.1 Managing, Regular and Special Members . (a) The Members may be Managing Members, Regular Members or Special Members (including Nonvoting Special Members and Investor Special Members). The Managing Member as of the date hereof is Holdings. The Regular Members as of the date hereof are those persons shown as Regular Members on the signature pages hereof, and the Special Members as of the date hereof are persons shown as Special Members on the signature pages hereof.

2.2 Continuation; Name; Foreign Jurisdictions . The Company was heretofore formed and is hereby continued as a limited liability company pursuant to the LLC Act and shall continue to conduct its activities under the name of Blackstone Mezzanine Management Associates L.L.C. The certificate of formation of the Company may be amended and/or restated from time to time by the Managing Member, as an "authorized person" (within the meaning of the LLC Act). The Managing Member is further authorized to deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

2.3 Term . The term of the Company shall continue until December 31, 2049, unless earlier dissolved and its affairs wound up in accordance with this Agreement.

2.4 Purpose; Powers .

(a) The purposes of the Company shall be, directly or indirectly through subsidiaries or affiliates, to (i) serve as a general partner of BMEZA, BMEZCA and Blackstone MM Capital Commitment Partners L.P. and perform the functions of the general partner specified in the BMEZA Partnership Agreement and a general partner as specified in the BMEZCA Partnership Agreement and the limited partnership agreement of Blackstone MM Capital Commitment Partners L.P., (ii) serve as a general partner or limited partner of other partnerships, (iii) carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the Managing Member and as are permitted under the LLC Act, the BMEZA Partnership Agreement, the BMEZCA Partnership Agreement and the limited partnership agreement of Blackstone MM Capital Commitment Partners L.P., and (iv) do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purpose, the Company shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, as principal or agent, including the following:

(i) to buy, sell and otherwise acquire investments, whether such investments are readily marketable or not;

(ii) to invest and reinvest the cash assets of the Company in money-market or other short-term investments;

(iii) to hold, receive, mortgage, pledge, lease, transfer, exchange or otherwise dispose of, grant options with respect to, and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to, all property held or owned by the Company;

(iv) to borrow or raise money from time to time and to issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and non-negotiable instruments and evidences of indebtedness, to secure payment of the principal of any such indebtedness and the interest thereon by mortgage, pledge, conveyance or assignment in trust of, or the granting of a security interest in, the whole or any part of the property of the Company, whether at the time owned or thereafter acquired, to guarantee the obligations of others and to buy, sell, pledge or otherwise dispose of any such instrument or evidence of indebtedness;

(v) to lend any of its property or funds, either with or without security, at any legal rate of interest or without interest;

(vi) to have and maintain one or more offices within or without the State of Delaware, and in connection therewith, to rent or acquire office space, engage personnel and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(vii) to open, maintain and close accounts, including margin accounts, with brokers;

(viii) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys;

(ix) to engage accountants, auditors, custodians, investment advisers, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate any of them as may be necessary or advisable;

(x) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, to form or cause to be formed and to participate in partnerships and joint ventures, whether foreign or domestic and to form or cause to be formed and be a member or manager or both of one or more limited liability companies;

(xi) to enter into, make and perform all contracts, agreements and other undertakings as may be necessary, convenient, advisable or incident to carrying out its purposes;

(xii) to sue and be sued, to prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment to claims against the Company, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xiii) to distribute, subject to the terms of this Agreement, at any time and from time to time to the Members cash or investments or other property of the Company, or any combination thereof; and

(xiv) to take such other actions necessary, desirable, convenient or incidental thereto and to engage in such other businesses as may be permitted under Delaware law.

2.5 Place of Business . The Company shall maintain an office and principal place of business at 345 Park Avenue, New York, New York 10154 or such other place or places as the Managing Member may designate from time to time. The Company shall maintain a registered office at The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The name and address of the Company's registered agent is The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The Managing Member may from time to time change the registered agent or office by an amendment to the certificate of formation of the Company.

ARTICLE III

MANAGEMENT

3.1 Managing Member .

(a) Holdings shall be an original managing member (the "Managing Member"). The Managing Member shall cease to be a the Managing Member only if it (i) Withdraws from the Company for any reason, (ii) consents in its sole discretion to resign as the Managing Member,

or (iii) becomes the subject of a Final Event. A Managing Member may not be removed without its consent. There may be one or more Managing Members. In the event that one or more other Managing Members is admitted to the Company as such, all references herein to the "Managing Member" in the singular form shall be deemed to also refer to such other Managing Members as may be appropriate. The relative rights and responsibilities of such Managing Members will be as agreed upon from time to time between them.

(b) Upon the Withdrawal from the Company or voluntary resignation of the last remaining Managing Member, all of the powers formerly therein pursuant to this Agreement and the LLC Act shall be exercised by a Majority in Interest of the Members.

3.2 Member Voting, etc .

(a) Meetings of the Members may be called only by the Managing Member.

(b) Except as otherwise expressly provided herein and except as may be expressly required by the LLC Act, Special Members as such shall have no right to, and shall not, take part in the management or control of the Company's business or act for or bind the Company, and shall have only the rights and powers granted to Special Members herein.

(c) To the extent any Member is entitled to vote with respect to any matter relating to the Company, such Member shall not be obligated to abstain from voting on any matter (or vote any particular manner) because of any interest (or conflict of interest) of such Member (or any affiliate thereof) in such matter.

3.3 Management . The management, control and operation of the Company and the formulation and execution of business and investment policy shall be vested in the Managing Member. The Managing Member shall, in its discretion, exercise all powers necessary and convenient for the purposes of the Company, including those enumerated in Section 2.4, on behalf and in the name of the Company. All decisions and determinations (howsoever described herein) to be made by the Managing Member pursuant to this Agreement shall be made in its sole discretion, subject only to the express terms and conditions of this Agreement (including Section 7.4).

3.4 Responsibilities of Members .

(a) Unless otherwise determined by the Managing Member in a particular case, each Regular Member shall devote substantially all his time and attention to the businesses of the Company and its affiliates, and each Special Member shall not be required to devote any time or attention to the businesses of the Company or its affiliates.

(b) All outside business or investment activities of the Members (including outside directorships or trusteeships) shall be subject to such rules and regulations as are established by the Managing Member from time to time.

(c) The Managing Member may from time to time establish such other rules and regulations applicable to Members or other employees as the Managing Member deems appropriate, including rules governing the authority of Members or other employees to bind the Company to financial commitments or other obligations.

3.5 Exculpation and Indemnification .

(a) Liability to Members . Notwithstanding any other provision of this Agreement, whether express or implied, to the fullest extent permitted by law, no Member nor any of such Member's representatives, agents or advisors nor any partner, member, officer, employee, representative, agent or advisor of the Company or any of its Affiliates (individually, a "Covered Person" and collectively, the "Covered Persons") shall be liable to the Company or any other Member for any act or omission (in relation to the Company, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) taken or omitted by a Covered Person (other than any act or omission constituting Cause) unless there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful. Each Covered Person shall be entitled to rely in good faith on the advice of legal counsel to the Company, accountants and other experts or professional advisors, and no action taken by any Covered Person in reliance on such advice shall in any event subject such person to any liability to any Member or the Company. To the extent that, at law or in equity, a Member has duties (including fiduciary duties) and liabilities relating thereto to the Company or to another Member, to the fullest extent permitted by law, such Member acting under this Agreement shall not be liable to the Company or to any such other Member for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of a Member otherwise existing at law or in equity, are agreed by the Members, to the fullest extent permitted by law, to modify to that extent such other duties and liabilities of such Member.

(b) Indemnification . To the fullest extent permitted by law, the Company shall indemnify and hold harmless (but only to the extent of the Company's assets (including, without limitation, the remaining Commitments of the Members) each Covered Person from and against any and all claims, damages, losses, costs, expenses and liabilities (including, without limitation, amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim), joint and several, of any nature whatsoever, known or unknown, liquidated or unliquidated (collectively, "Losses"), arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of such Covered Person's management of the affairs of the Company or which relate to or arise out of or in connection with the Company, its property, its business or affairs (other than claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, arising out of any act or omission of such Covered Person constituting Cause); provided, that a Covered Person shall not be entitled to indemnification under this Section with respect to any claim, issue or matter if there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interest of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful; provided further, that if such Covered Person is a Member or a Withdrawn Member, such Covered Person shall bear its share of such Losses in accordance with such Covered Person's Profit Sharing Percentage in the Company as of the time of the actions or omissions that gave rise to such Losses. To the fullest extent permitted by law, expenses (including legal fees) incurred by a Covered Person (including, without limitation, the Managing Member) in defending any claim, demand, action, suit or proceeding may, with the approval of the Managing Member, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of a written undertaking by

or on behalf of the Covered Person to repay such amount to the extent that it shall be subsequently determined that the Covered Person is not entitled to be indemnified as authorized in this Section, and the Company and its Affiliates shall have a continuing right of offset against such Covered Person's interests/investments in the Company and such Affiliates and shall have the right to withhold amounts otherwise distributable to such Covered Person to satisfy such repayment obligation. If a Member institutes litigation against a Covered Person which gives rise to an indemnity obligation hereunder, such Member shall be responsible, up to the amount of such Member's Interests and remaining Commitment, for such Member's pro rata share of the Company's expenses related to such indemnity obligation, as determined by the Managing Member. The Company may purchase insurance, to the extent available at reasonable cost, to cover losses, claims, damages or liabilities covered by the foregoing indemnification provisions. Members will not be personally obligated with respect to indemnification pursuant to this Section.

ARTICLE IV

CAPITAL OF THE COMPANY

4.1 Capital Contributions by Members .

(a) Except as agreed by the Managing Member and a Regular Member, such Regular Member shall not be required to make capital contributions equal to the Required Amounts as determined by the Managing Member from time to time; provided, that (i) such additional capital contributions may be made pro rata among the Regular Members based upon the allocation of the Carried Interest in each BMEZP Investment by the Managing Member and (ii) additional capital contributions in excess of the Required Amounts which are to be used for ongoing business operations (as distinct from financing, legal or other specific liabilities of the Company (including those specifically set forth in Sections 4.1(d) and 5.7(e)) shall be determined by the Managing Member; provided further, that the Managing Member may excuse any Nonvoting Special Member from making Required Amounts as provided in the books and records of the Company. Special Members shall not be required to make additional capital contributions to the Company except (i) as a condition of an increase in such Special Member's Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the Managing Member and any Special Member may agree from time to time that such Special Member may make an additional capital contribution to the Company; provided further, that each Investor Special Member shall maintain its capital account at a level equal to the product of (i) its Profit Sharing Percentage from time to time and (ii) the total capital of the Company.

(b) Each capital contribution by a Member shall be credited to the appropriate capital account of such Member in accordance with Section 5.2.

(c) The Managing Member may elect on a case by case basis to (i) cause the Company to loan any Member (including any additional Member admitted to the Company pursuant to Section 6.1) the amount of any capital contribution required to be made by such Member or (ii) permit any Member (including any additional Member admitted to the Company pursuant to Section 6.1 but excluding any Members that are also executive officers of The Blackstone Group L.P.) to make a required capital contribution to the Company in installments in kind, in each case on terms (including valuation of contributed property in the case of in kind contributions permitted by the Managing Member) determined by the Managing Member.

(d) (i) Pursuant to the Trust Agreement, certain amounts of the distributions relating to the Carried Interest will be paid to the Trustee(s) for deposit in the Trust Account (such amounts to be paid to the Trustee(s) for deposit in the Trust Account constituting a "Holdback"). The

Managing Member may determine, as set forth below, the percentage of each distribution of Carried Interest that shall be withheld for each Member Category (such withheld percentage constituting such Member Category's "Holdback Percentage"). The applicable Holdback Percentages initially shall be 0% for the Managing Member, 15% for Existing Members (other than the Managing Member), 21% for Retaining Withdrawn Members and 24% for Deceased Members (the "Initial Holdback Percentages").

(ii) The Holdback Percentage may not be reduced for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may only reduce the Holdback Percentages among the Member Categories on a proportionate basis. For example, if the Holdback Percentage for Existing Members is decreased to 12.5%, the Holdback Percentage for Retaining Withdrawn Members and Deceased Members may be reduced to 17.5% and 20%, respectively. Any reduction in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such reduction.

(iii) The Holdback Percentage may not be increased for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may not increase the Retaining Withdrawn Members' Holdback Percentage beyond 21% unless the Managing Member concurrently increase the Existing Members' Holdback Percentage to the Holdback Percentage of the Retaining Withdrawn Members. The Managing Member may not increase the Deceased Members' Holdback Percentage beyond 24% unless the Managing Member increases the Holdback Percentage for both Existing Members and Retaining Withdrawn Members to 24%. The Managing Member may not increase the Holdback Percentage of any Member Category beyond 24% unless such increase applies equally to all Member Categories. Any increase in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such increase. The foregoing shall in no way prevent the Managing Member from proportionately increasing the Holdback Percentage of any Member Category (following a reduction of the Holdback Percentages below the Initial Holdback Percentages), if the resulting Holdback Percentages are consistent with the above. For example, if the Managing Member reduces the Holdback Percentages for Existing Members, Retaining Withdrawn Members and Deceased Members to 12.5%, 17.5% and 20%, respectively, the Managing Member may have the right to subsequently increase the Holdback Percentages to the Initial Holdback Percentages.

(iv)(A) Notwithstanding anything contained herein to the contrary, the Company may increase or decrease the Holdback Percentage for any Member in any Member Category (in such capacity, the "Subject Member") pursuant to a majority vote of the Regular Members (a "Holdback Vote"); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to the Managing Member may not be increased or decreased without its prior written consent; provided further , that a Subject Member's Holdback Percentage may not be (I) increased prior to such time as such Subject Member (x) is notified by the Company of the decision to increase such Subject Member's Holdback Percentage and (y) has, if requested by such Subject Member, been given 30 days to gather and provide information to the Company for consideration before a second Holdback Vote (requested by the Subject Member) and (II) decreased unless such decrease occurs subsequent to an increase in a Subject Member's Holdback Percentage pursuant to a Holdback Vote under this clause (iv); provided further, that such decrease shall not exceed an amount such that such Subject Member's Holdback Percentage is less than the prevailing Holdback Percentage for the Member Category of such Subject Member; provided further, that a Member or Special Limited Partner of BMEZA shall not vote to increase a Subject Member's Holdback Percentage unless such voting Member or Special Limited Partner determines, in his good faith judgment, that the facts and circumstances indicate

that it is reasonably likely that such Subject Member, or any of his successors or assigns (including his estate or heirs) who at the time of such vote holds the Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Company meeting. Each Regular Member or Special Limited Partner of BMEZA shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Regular Member's interest in the Company. Such vote may be cast by any Regular Member in person or by proxy.

(C) If the result of the second Holdback Vote is an increase in a Subject Member's Holdback Percentage, such Subject Member may submit the decision to an arbitrator, the identity of which is mutually agreed upon by both the Subject Member and the Company; provided, that if the Company and the Subject Member cannot agree upon a mutually satisfactory arbitrator within 10 days of the second Holdback Vote, each of the Company and the Subject Member shall request their candidate for arbitrator to select a third arbitrator satisfactory to such candidates; provided further, that if such candidates fail to agree upon a mutually satisfactory arbitrator within 30 days of such request, the then sitting President of the American Arbitration Association shall unilaterally select the arbitrator. Each Subject Member that submits the decision of the Company pursuant to the second Holdback Vote to arbitration and the Company shall estimate their reasonably projected out-of-pocket expenses relating thereto, and each such party shall, to the satisfaction of the arbitrator and prior to any determination being made by the arbitrator, pay the total of such estimated expenses (i.e., both the Subject Member's and the Company's expenses) into an escrow account to be controlled by Simpson Thacher & Bartlett LLP, as escrow agent (or such other comparable law firm as the Company and Subject Member shall agree). The arbitrator shall direct the escrow agent to pay out of such escrow account all expenses associated with such arbitration (including costs leading thereto) and to return to the "victorious" party the entire amount of funds such party paid into such escrow account. If the amount contributed to the escrow account by the losing party is insufficient to cover the expenses of such arbitration, such "losing" party shall then provide any additional funds necessary to cover such costs to such "victorious" party. For purposes hereof, the "victorious" party shall be the Company if the Holdback Percentage ultimately determined by the arbitrator is closer to the percentage determined in the second Holdback Vote than it is to the prevailing Holdback Percentage for the Subject Member's Member Category; otherwise, the Subject Member shall be the "victorious" party. The party that is not the "victorious" party shall be the "losing" party.

(D) In the event of a decrease in a Subject Member's Holdback Percentage (1) pursuant to a Holdback Vote under this clause (iv) or (2) pursuant to a decision of an arbitrator under paragraph (C) of this clause (iv), the Company shall release and distribute to such Subject Member any Trust Amounts (and the Trust Income thereon (except as expressly provided herein with respect to using Trust Income as Firm Collateral)) which exceed the required Holdback of such Subject Member (in accordance with such Subject Member's reduced Holdback Percentage) as though such reduced Holdback Percentage had applied since the increase of the Subject Member's Holdback Percentage pursuant to a previous Holdback Vote under this clause (iv).

(v) (A) If a Member's Holdback Percentage exceeds 15% (such percentage in excess of 15% constituting the " *Excess Holdback Percentage* "), such Member shall satisfy the portion of his Holdback obligation in respect of his Excess Holdback Percentage (such portion constituting such Member's " *Excess Holdback* "), and such Member (or a Withdrawn Member with respect to amounts contributed to the Trust Account while he was a Member), to the extent his Excess Holdback obligation has previously been satisfied in cash, shall obtain the release of the Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and

allocated to such Member or Withdrawn Member) satisfying such Member's or Withdrawn Member's Excess Holdback obligation, by pledging or otherwise making available to the Company, on a first priority basis (except as provided below), all or any portion of his Firm Collateral in satisfaction of his Excess Holdback obligation. Any Member seeking to satisfy all or any portion of the Excess Holdback utilizing Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Company to realize on (if required), such Firm Collateral; provided, that in the case of entities listed in the Company's books and records, in which partners/members are permitted to pledge their interests therein to finance all or a portion of their capital contributions thereof ("*Pledgable Blackstone Interests*"), to the extent a first priority security interest is unavailable because of an existing lien on such Firm Collateral, the Member or Withdrawn Member seeking to utilize such Firm Collateral shall grant the Company a second priority security interest therein in the manner provided above; provided further, that (x) to the extent that neither a first priority nor a second priority security interest in Pledgable Blackstone Interests is available, or (y) if the Managing Member otherwise determines in its good faith judgment that a security interest in Firm Collateral (and the corresponding documents and actions) are not necessary or appropriate, the Member or Withdrawn Member shall (in the case of either clause (x) or (y) above) irrevocably instruct in writing the relevant partnership, limited liability company or other entity listed in the Company's books and records to remit any and all net proceeds resulting from a Firm Collateral Realization on such Firm Collateral to the Trustee(s) as more fully provided in clause (B) below. The Company shall, at the request of any Member or Withdrawn Member, assist such Member or Withdrawn Member in taking such action necessary to enable such Member or Withdrawn Member to use Firm Collateral as provided hereunder.

(B) If upon a sale or other realization of all or any portion of any Firm Collateral (a "Firm Collateral Realization"), the remaining Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement, then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Firm Collateral Realization (including distributions subject to the repayment of financing sources like in the case of items (5) and (6) in the Company's books and records) shall be paid into the Trust Account to fully satisfy such Excess Holdback requirement (allocated to such Member or Withdrawn Member) and shall be deemed to be Trust Amounts for purposes hereunder. Any net proceeds from such Firm Collateral Realization in excess of the amount necessary to satisfy such Excess Holdback requirement shall be distributed to such Member or Withdrawn Member.

(C) Upon any valuation or revaluation of Firm Collateral that results in a decreased valuation of such Firm Collateral so that such Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement (including upon a Firm Collateral Realization, if net proceeds therefrom and the remaining Firm Collateral are insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement), the Company shall provide notice of the foregoing to such Member or Withdrawn Member and such Member or Withdrawn Member shall, within 30 days of receiving such notice, contribute cash (or additional Firm Collateral) to the Trust Account in an amount necessary to satisfy his Excess Holdback requirement. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.7(e)(ii) shall apply thereto; provided, that clause (A) of the first sentence of Section 5.7(e)(ii) shall be deemed inapplicable to a default under this clause (C); provided further, that for purposes of applying Section 5.7(e)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.7(e)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.7(e)(ii) shall be construed as the amount due pursuant to this clause (C).

(vi) Any Member or Withdrawn Member shall (A) obtain the release of any Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) or Firm Collateral, in each case, held in the Trust Account for the benefit of such Member or Withdrawn Member or (B) require the Company to distribute all or any portion of amounts otherwise required to be placed in the Trust Account (whether cash or Firm Collateral), by obtaining a letter of credit (an "L/C") for the benefit of the Trustee(s) in such amounts. Any Member or Withdrawn Member choosing to furnish an L/C to the Trustee(s) (in such capacity, an "L/C Member") shall deliver to the Trustee(s) an unconditional and irrevocable L/C from a commercial bank whose (x) short-term deposits are rated at least A-1 by S&P and P-1 by Moody's (if the L/C is for a term of 1 year or less), or (y) long-term deposits are rated at least A+ by S&P or A1 by Moody's (if the L/C is for a term of 1 year or more) (each a "Required Rating"). If the relevant rating of the commercial bank issuing such L/C drops below the relevant Required Rating, the L/C Member shall supply to the Trustee(s), within 30 days of such occurrence, a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, in lieu of the insufficient L/C. In addition, if the L/C has a term expiring on a date earlier than the latest possible termination date of BMEZP, the Trustee(s) shall be permitted to drawdown on such L/C if the L/C Member fails to provide a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, at least 30 days prior to the stated expiration date of such existing L/C. The Trustee(s) shall notify an L/C Member 10 days prior to drawing on any L/C. The Trustee(s) shall (as directed by the Company in the case of clause (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Member's obligation relating to the Company's obligations under the Clawback Provisions or (II) an L/C Member has not provided a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating (or the requisite amount of cash and/or Firm Collateral (to the extent permitted hereunder)), at least 30 days prior to the stated expiration of an existing L/C in accordance with this clause (vi). The Trustee(s), as directed by the Company, shall return to any L/C Member his L/C upon (1) the termination of the Trust Account and satisfaction of the Company's obligations, if any, in respect of the Clawback Provisions, (2) an L/C Member satisfying his entire Holdback obligation in cash and Firm Collateral (to the extent permitted hereunder), or (3) the release, by the Trustee(s), as directed by the Company, of all amounts in the Trust Account to the Members or Withdrawn Members. If an L/C Member satisfies a portion of his Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee (s), as directed by the Company, release a portion of the amounts in the Trust Account to the Members or Withdrawn Members in the Member Category of such L/C Member, the L/C of an L/C Member shall be reduced by an amount corresponding to such portion satisfied in cash and/or Firm Collateral (to the extent permitted hereunder) or such portion released by the Trustee(s), as directed by the Company; provided, that in no way shall the general release of any Trust Income cause an L/C Member to be permitted to reduce the amount of an L/C by any amount.

(vii) Any in-kind distributions by the Company relating to Carried Interest shall be made in accordance herewith as though such distributions consisted of cash. The Company may direct the Trustee(s) to dispose of any in-kind distributions held in the Trust Account at any time. The net proceeds therefrom shall be treated as though initially contributed to the Trust Account.

(viii) (A) Any Regular Member or Withdrawn Member may satisfy all or any portion of his Holdback (excluding any Excess Holdback), and such Member or Withdrawn Member may, to the extent his Holdback (excluding any Excess Holdback) has been previously satisfied in cash or by the use of an L/C as provided herein, obtain a release of Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) that satisfy such Member's or Withdrawn Member's Holdback (excluding

any Excess Holdback) by pledging to the Trustee(s) on a first priority basis all of his Special Firm Collateral in a particular Qualifying Fund, which at all times must equal or exceed the amount of the Holdback distributed to the Member or Withdrawn Member (as more fully set forth below). Any Member seeking to satisfy such Member's Holdback utilizing Special Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Trustee(s) to realize on (if required), such Special Firm Collateral.

(B) If upon a distribution, withdrawal, sale, liquidation or other realization of all or any portion of any Special Firm Collateral (a "Special Firm Collateral Realization"), the remaining Special Firm Collateral (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) is insufficient to cover any Member's or Withdrawn Member's Holdback (when taken together with other means of satisfying the Holdback as provided herein (i.e., cash contributed to the Trust Account or an L/C in the Trust Account)), then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Special Firm Collateral Realization (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) shall be paid into the Trust (and allocated to such Member or Withdrawn Member) to fully satisfy such Holdback and shall be deemed thereafter to be Trust Amounts for purposes hereunder. Any net proceeds from such Special Firm Collateral Realization in excess of the amount necessary to satisfy such Holdback (excluding any Excess Holdback) shall be distributed to such Member or Withdrawn Member. To the extent a Qualifying Fund distributes Securities to a Member or Withdrawn Member in connection with a Special Firm Collateral Realization, such Member or Withdrawn Member shall be required to promptly fund such Member's or Withdrawn Member's deficiency with respect to his Holdback in cash or an L/C.

(C) Upon any valuation or revaluation of the Special Firm Collateral and/or any adjustment in the Applicable Collateral Percentage applicable to a Qualifying Fund (as provided in the Company's books and records), if such Member's or Withdrawn Member's Special Firm Collateral valued at less than such Member's Holdback (excluding any Excess Holdback) as provided in the Company's books and records, taking into account other permitted means of satisfying the Holdback hereunder, the Company shall provide notice of the foregoing to such Member or Withdrawn Member and, within 10 business days of receiving such notice, such Member or Withdrawn Member shall contribute cash or additional Special Firm Collateral to the Trust Account in an amount necessary to make up such deficiency. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.7(e)(ii) shall apply thereto; provided, that clause (A) of the first sentence of Section 5.7(e)(ii) shall be deemed inapplicable to such default; provided further, that for purposes of applying Section 5.7 (e)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.7(e)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.7(e)(ii) shall be construed as the amount due pursuant to this clause (C).

(D) Upon a Member becoming a Withdrawn Member, at any time thereafter the Managing Member may revoke the ability of such Withdrawn Member to use Special Firm Collateral as set forth in this Section 4.1(d)(iv)(A), notwithstanding anything else in this Section 4.1(d) (iv)(A). In that case the provisions of clause (C) above shall apply to the Withdrawn Member's obligation to satisfy the Holdback (except that 30 days' notice of such revocation shall be given), given that the Special Firm Collateral is no longer available to satisfy any portion of the Holdback (excluding any Excess Holdback).

(E) Nothing in this Section 4.1(d)(iv)(A) shall prevent any Member or Withdrawn Member from using any amount of such Member's interest in a Qualifying Fund as Firm Collateral; provided that at all times Section 4.1(d)(iii)(D) and this Section 4.1(d)(iv)(A) are each satisfied.

4.2 Interest . Interest on the balances of the Members' capital (excluding capital invested in Investments and, if deemed appropriate by the Managing Member, capital invested in any other investment of the Company) shall be credited to the Members' capital accounts at the end of each accounting period pursuant to Section 5.2, or at any other time as determined by the Managing Member, at rates determined by the Managing Member from time to time, and shall be charged as an expense of the Company.

4.3 Withdrawals of Capital . The Members may not withdraw capital from the Company except (i) for distributions of cash or other property pursuant to Section 5.7, (ii) as otherwise expressly provided in this Agreement or (iii) as determined by the Managing Member.

ARTICLE V

PARTICIPATION IN PROFITS AND LOSSES

5.1 General Accounting Matters .

(a) Net Income (Loss) shall be determined by the Managing Member at the end of each accounting period and shall be allocated as described in Section 5.4.

(b) "Net Income (Loss)" from any activity of the Company for any accounting period means (i) the gross income realized by the Company from such activity during such accounting period less (ii) all expenses of the Company, and all other items that are deductible from gross income, for such accounting period that are allocable to such activity (determined as provided below). "Net Income (Loss)" from any Investment for any accounting period in which such Investment has not been sold or otherwise disposed of means (i) the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) all expenses of the Company for such accounting period that are allocable to such Investment (determined as provided below). "Net Income (Loss)" from any Investment for the accounting period in which such Investment is sold or otherwise disposed of means (i) the sum of the gross proceeds from the sale or other disposition of such Investment and the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) the sum of the cost or other basis to the Company of such Investment and all expenses of the Company for such accounting period that are allocable to such Investment. Net Income (Loss) shall be determined in accordance with the accounting method used by the Company for U.S. federal income tax purposes with the following adjustments: (i) any income of the Company that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Net Income (Loss) shall be added to such taxable income or loss; (ii) if any asset has a value on the books of the Company that differs from its adjusted tax basis for U.S. federal income tax purposes, any depreciation, amortization or gain resulting from a disposition of such asset shall be calculated with reference to such value; (iii) upon an adjustment to the value of any asset on the books of the Company pursuant to Regulation Section 1.704-1(b)(2), the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (iv) any expenditures of the Company not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Net Income (Loss) pursuant to this definition shall be treated as deductible items; (v) any income from an Investment that is payable to Company employees in respect of "phantom interests" in such Investment awarded by the Managing Member to employees shall be included as an expense in the calculation of Net Income (Loss) from such Investment, and (vi) items of

income and expense (including interest income and overhead and other indirect expenses) of the Company, Holdings and other affiliates of the Company shall be allocated among the Company, Holdings and such affiliates, among various Company activities and Investments and between accounting periods, in each case as determined by the Managing Member. Any adjustments to Net Income (Loss) as by the Managing member, including adjustments for items of income accrued but not yet received, unrealized gains, items of expense accrued but not yet paid, unrealized losses, reserves (including reserves for taxes, bad debts, actual or threatened litigation, or any other expenses, contingencies or obligations) and other appropriate items shall be made in accordance with U.S. generally accepted accounting principles ("GAAP"); provided, that the Managing Member shall not be required to make any such adjustment.

(c) An accounting period shall be a Fiscal Year, except that, at the option of the Managing Member, an accounting period will terminate and a new accounting period will begin on the admission date of an additional Member or the Settlement Date of a Withdrawn Member, if any such date is not the first day of a Fiscal Year. If any event referred to in the preceding sentence occurs and the Managing Member does not elect to terminate an accounting period and begin a new accounting period, then the Managing Member may make such adjustments as it deems appropriate to the Members' Profit Sharing Percentages for the accounting period in which such event occurs (prior to any allocations of Unallocated Percentages or adjustments to Profit Sharing Percentages pursuant to Section 5.3) to reflect the Members' average Profit Sharing Percentages during such accounting period; provided, that the Profit Sharing Percentages of Members in Net Income (Loss) from Investments acquired during such accounting period will be based on Profit Sharing Percentages in effect when each such Investment was acquired.

(d) In establishing Profit Sharing Percentages and allocating Unallocated Percentages pursuant to Section 5.3, the Managing Member may consider such factors as it deems appropriate.

(e) All determinations, valuations and other matters of judgment required to be made for accounting purposes under this Agreement shall be made by the Managing Member and approved by the Company's independent accountants. Such approved determinations, valuations and other accounting matters shall be conclusive and binding on all Members, all Withdrawn Members, their successors, heirs, estates or legal representatives and any other person, and to the fullest extent permitted by law no such person shall have the right to an accounting or an appraisal of the assets of the Company or any successor thereto.

5.2 Capital Accounts .

(a) There shall be established for each Member on the books of the Company, to the extent and at such times as may be appropriate, one or more capital accounts as the Managing Member may deem to be appropriate for purposes of accounting for such Member's interests in the capital and Net Income (Loss) of the Company.

(b) As of the end of each accounting period or, in the case of a contribution to the Company by one or more of the Members or a distribution by the Company to one or more of the Members, at the time of such contribution or distribution, (i) the appropriate capital accounts of each Member shall be credited with the following amounts: (A) the amount of cash and the value of any property contributed by such Member to the capital of the Company during such accounting period, (B) the Net Income allocated to such Member for such accounting period and (C) the interest credited on the balance of such Member's capital for such accounting period pursuant to Section 4.3; and (ii) the appropriate capital accounts of each Member shall be debited with the following amounts: (x) the amount of cash, the principal amount of any subordinated promissory note of the Company referred to in Section 6.5(k) (as such amount is paid)and the value of any property distributed to such Member during such accounting period and (y) the Net Loss allocated to such Member for such accounting period.

5.3 Profit Sharing Percentages .

(a) Prior to the beginning of each annual accounting period, the Managing Member shall establish the profit sharing percentage (the "Profit Sharing Percentage") of each Member in each category of Net Income (Loss) for such annual accounting period pursuant to Section 5.1(a) taking into account such factors as the Managing Member deems appropriate, including those referred to in Section 5.1(d); provided, that (i) the Managing Member may elect to establish Profit Sharing Percentages in Net Income (Loss) from any Investment acquired by the Company during such accounting period at the time such Investment is acquired in accordance with paragraph (d) below and (ii) Net Income (Loss) for such accounting period from any Investment shall be allocated in accordance with the Profit Sharing Percentages in such Investment established in accordance with paragraph (d) below. The Managing Member may establish different Profit Sharing Percentages for any Member in different categories of Net Income (Loss). In the case of the Withdrawal of a Member, such former Member's Profit Sharing Percentages shall be allocated by the Managing Member to one or more of the remaining Members. In the case of the admission of any Member to the Company as an additional Member, the Profit Sharing Percentages of the other Members shall be reduced by an amount equal to the Profit Sharing Percentage allocated to such new Member pursuant to Section 6.1(b); such reduction of each other Member's Profit Sharing Percentage shall be pro rata based upon such Member's Profit Sharing Percentage as in effect immediately prior to the admission of the new Member. Notwithstanding the foregoing, the Managing Member may also adjust the Profit Sharing Percentage of any Member for any annual accounting period at the end of such annual accounting period in its sole discretion.

(b) The Managing Member may elect to allocate to the Members less than 100% of the Profit Sharing Percentages of any category for any annual accounting period at the time specified in Section 5.3(a) for the annual fixing of Profit Sharing Percentages (any remainder of such Profit Sharing Percentages being called an "Unallocated Percentage") provided, that any Unallocated Percentage in any category of Net Income (Loss) for any annual accounting period that is not allocated by the Managing Member within 90 days after the end of such accounting period shall be deemed to be allocated among all Members (including the Managing Member) in the manner determined by the Managing Member in its sole discretion.

(c) Unless otherwise determined by the Managing Member in a particular case, (i) Profit Sharing Percentages in Net Income (Loss) from any Investment shall be allocated in proportion to the Members' respective capital contributions in respect of such Investment and (ii) Profit Sharing Percentages in Net Income (Loss) from each Investment shall be fixed at the time such Investment is acquired and shall not thereafter change, subject to any repurchase rights or other requirements established by the Managing Member pursuant to Section 5.6.

5.4 Allocations of Net Income (Loss) .

(a) Except as provided in Sections 5.4(d) and 5.4(e), Net Income of the Company for each Investment shall be allocated to the Capital Accounts related to such Investment of all the Members participating in such Investment (including the Managing Member): first, in proportion to and to the extent of the amount of Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest distributed to the Members, second, to Members that received Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest in years prior to the years such Net Income are being allocated to the extent such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest exceeded Net

Income allocated to such Members in such earlier years; and third, to the Members in the same manner that such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest would have been distributed if cash were available to distribute with respect thereto.

(b) Net Loss of the Company shall be allocated as follows: (i) Net Loss relating to realized losses suffered by BMEZP and allocated to the Company with respect to its pro rata share thereof (based on capital contributions made to BMEZP) shall be allocated to the Members in accordance with each Member's Non-Carried Interest Sharing Percentage (subject to adjustment pursuant to Section 5.7(e)) with respect to the Investment giving rise to such loss suffered by BMEZP and (ii) Net Loss relating to realized losses suffered by BMEZP and allocated to the Company with respect to the Carried Interest shall be allocated in accordance with a Member's (including Withdrawn Member's) Carried Interest Give Back Percentage (as of the date of such loss);

(c) Notwithstanding Section 5.4(a) above, Net Income relating to Carried Interest allocated after the allocation of a Net Loss pursuant to clause (ii) of Section 5.4(b) shall be allocated in accordance with such Carried Interest Give Back Percentages until such time as the Members have been allocated Net Income relating to Carried Interest equal to the aggregate amount of Net Loss previously allocated in accordance with clause (ii) of Section 5.4(b). Withdrawn Members shall remain Members for purposes of allocating such Net Loss with respect to Carried Interest.

(d) To the extent the Company has any Net Income (Loss) for any accounting period unrelated to BMEZP, such Net Income (Loss) will be allocated in accordance with Profit Sharing Percentages prevailing at the beginning of such accounting period, except as provided in Section 5.4(e).

(e) The Managing Member may authorize from time to time advances to Members against their allocable shares of Net Income (Loss).

5.5 Liability of Members . Except as otherwise provided in the LLC Act, no Member shall be personally obligated for any debt, obligation or liability of the Company or of any other Member solely by reason of being a Member. In addition, in no way does any of the foregoing limit any Member's obligations under Section 4.1(d) or 5.7(e) or otherwise to make capital contributions as provided hereunder.

5.6 Repurchase Rights, etc . The Managing Member may from time to time establish such repurchase rights and/or other requirements with respect to the Members' Interests relating to BMEZP Investments as the Managing Member may determine. The Managing Member shall have authority to (a) withhold any distribution otherwise payable to any Member until any such repurchase rights have lapsed or any such requirements have been satisfied, (b) pay any distribution to any Member that is Contingent as of the distribution date and require the refund of any portion of such distribution that is Contingent as of the Withdrawal Date of such Member, (c) amend any previously established repurchase rights or other requirements from time to time and (d) make such exceptions to any thereto as it may determine on a case by case basis.

5.7 Distributions .

(a) (i) The Company shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Members at such times and in such amounts as are determined by the Managing Member. The Managing Member shall, if it deems it appropriate, determine the availability for distribution of, and distribute, cash or other property separately for each category of Net Income (Loss) established pursuant to Section 5.1(a). Subject to Section 5.7(e),

distributions of cash or other property with respect to Non-Carried Interest shall be made among the Members in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d), distributions of cash or other property with respect to Carried Interest shall be made among Members in accordance with their respective Carried Interest Sharing Percentages.

(ii) At any time that a sale, exchange, transfer or other disposition by BMEZP of a portion of an Investment is being considered by the Company (a "Disposable Investment"), at the election of the Managing Member each Member's Interest with respect to such Investment shall be vertically divided into two separate Interests, an Interest attributable to the Disposable Investment (a Member's "Class B Interest"), and an Interest attributable to such Investment excluding the Disposable Investment (a Member's "Class A Interest"). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BMEZP) relating to a Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class B Interests with respect to such Investment in accordance with their Profit Sharing Percentages relating to such Class B Interests, and distributions (including those resulting from the sale, transfer, exchange or the disposition by BMEZP) relating to an Investment excluding such Disposable Investment (with respect to both Carried and Non-Carried Interests) shall be made only to holders of Class A Interests with respect to such Investment in accordance with their respective Profit Sharing Percentages relating to such Class A Interests. Except as provided above, distributions of cash or other property with respect to each category of Net Income (Loss) shall be allocated among the Members in the same proportions as the allocations of Net Income (Loss) of each such category.

(b) Subject to the Company's having sufficient available cash in the reasonable judgment of the Managing Member, the Company shall make cash distributions to each Member with respect to each Fiscal Year in an aggregate amount at least equal to the total Federal, New York State and New York City income and other taxes that would be payable by such Member with respect to all categories of Net Income (Loss) allocated to such Member for such Fiscal Year, the amount of which shall be calculated (i) on the assumption that each Member is an individual subject to the then prevailing maximum Federal, New York State and New York City income tax rates, (ii) taking into account the deductibility of state and local income and other taxes for Federal income tax purposes and (iii) taking into account any differential in applicable rates due to the type and character of Net Income (Loss) allocated to such Member. Notwithstanding the provisions of the foregoing sentence, the Managing Member may refrain from making any distribution if, in the reasonable judgment of the Managing Member, such distribution is prohibited by § 18-607 of the LLC Act.

(c) The Managing Member may provide that a Member or employee of the Company's right to distributions and investments of the Company may be subject to repurchase by the Company or such other requirements over such period as the Managing Member shall determine (a "Repurchase Period"). Any Contingent distributions from investments subject to repurchase rights or other requirements will be withheld by the Company and will be distributed to the recipient thereof (together with interest thereon at rates determined by the Managing Member from time to time) as the recipient's rights to such distributions become Non-Contingent (by virtue of the expiration of the applicable Repurchase Period or otherwise). The Managing Member may elect in an individual case to have the Company distribute any Contingent distribution to the applicable recipient thereof irrespective of whether the applicable Repurchase Period has lapsed. If a Member (other than the Managing Member) Withdraws from the Company for any reason other than his death, Total Disability or Incompetence, the undistributed share of any investment that remains Contingent as of the applicable Withdrawal Date shall be repurchased by the Company at a purchase price determined at such time by the Managing Member. Unless determined otherwise by the Managing Member, the repurchased portion thereof will be allocated among the remaining Members with interests in such investment in proportion to their respective

percentage interests in such investment, or if no other Member has a percentage interest in such specific investment, to the Managing Member; provided , that the Managing Member may allocate the Withdrawn Member's share of unrealized investment income from a repurchased investment attributable to the period after the Withdrawn Member's Withdrawal Date on any basis it may determine, including to existing or new Members who did not previously have interests in such investment, except that, in any event, each Investor Special Member shall be allocated a share of such unrealized investment income equal to its respective Profit Sharing Percentage of such unrealized investment income.

(d) (i) (A) If the Company is obligated under the Clawback Provisions or Giveback Provisions to contribute a Clawback Amount or Giveback Amount to BMEZP, the Company shall call for such amounts as are necessary to satisfy such obligations as determined by the Managing Member, in which case each Member and Withdrawn Member shall contribute to the Company, in cash, when and as called by the Company, such an amount of prior distributions by the Company (and the Other Fund GPs) with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the "Recontribution Amount") which equals (I) the product of (a) a Member's or Withdrawn Member's Carried Interest Give Back Percentage and (b) the aggregate Clawback Amount payable by the Company, in the case of Clawback Amounts and (II) with respect to a Giveback, such Member's pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the BMEZP Investment giving rise to the Giveback Amount, (b) if the amounts contributed pursuant to clause (II)(a) above are insufficient to satisfy such Giveback Amount, BMEZP Investments other than the one giving rise to such obligation, but only those amounts received by the Members with an interest in the BMEZP Investment referred to in clause (II)(a) above and (c) if the Giveback Amount is unrelated to a specific BMEZP Investment, all BMEZP Investments. Each Member and Withdrawn Member shall promptly contribute to the Company, along with satisfying his comparable obligations to the Other Fund GPs, if any, upon such call such Member's or Withdrawn Member's Recontribution Amount, less the amount paid out of the Trust Account on behalf of such Member or Withdrawn Member by the Trustee(s) pursuant to written instructions from the Company, or if applicable, any of the Other Fund GPs with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the "Net Recontribution Amount"), irrespective of the fact that the amounts in the Trust Account may be sufficient on an aggregate basis to satisfy the Company's and the Other Fund GPs' obligation under the Clawback Provisions and/or the Giveback Provisions; provided, that to the extent a Member's or Withdrawn Member's share of the amount paid with respect to the Clawback Amount or the Giveback Provisions exceeds his Recontribution Amount, such excess shall be repaid to such Member or Withdrawn Member as promptly as reasonably practicable, subject to clause (ii) below; provided further, that such written instructions from the Company shall specify each Member's and Withdrawn Member's Recontribution Amount. Prior to such time, the Company may, in its discretion (but shall be under no obligation to), provide notice that in the Company's judgment, the potential obligations in respect of the Clawback Provisions or the Giveback Provisions will probably materialize (and an estimate of the aggregate amount of such obligations); provided further, that any amount from a Member's Trust Account used to pay any Giveback Amount (or such lesser amount as may be required by the Managing Member) shall be contributed by such Member to such Member's Trust Account no later than 30 days after the Net Recontribution Amount is paid with respect to such Giveback.

(B) To the extent any Member or Withdrawn Member has satisfied any Holdback obligation with Firm Collateral, such Member or Withdrawn Member shall, within 10 days of the Company's call for Recontribution Amounts, make a cash payment into the Trust Account in an amount equal to the amount of the Holdback obligation satisfied with such Firm Collateral, or such lesser amount such that the amount in the Trust Account allocable to such Member or Withdrawn Member equals the sum of (I) such Member's or Withdrawn Member's Recontribution Amount and (II) any similar amounts payable to any of the Other Fund GPs. Immediately upon receipt of such cash, the Trustee (s) shall take such steps necessary to release such Firm Collateral of such Member or Withdrawn Member equal to the

amount of such cash payment. If the amount of such cash payment is less than the amount of Firm Collateral of such Member or Withdrawn Member, the balance of such Firm Collateral if any, shall be retained to secure the payment of Deficiency Contributions, if any, and shall be fully released upon the satisfaction of the Company's and the Other Fund GPs' obligation to pay the Clawback Amount. The failure of any Member or Withdrawn Member to make a cash payment in accordance with this clause (B) (to the extent applicable) shall constitute a default under Section 5.7(e)(ii) as if such cash payment hereunder constitutes a Net Recontribution Amount under Section 5.7(e)(ii).

(ii) (A) In the event any Member or Withdrawn Member (a "Defaulting Party") fails to recontribute all or any portion of such Defaulting Party's Net Recontribution Amount for any reason, the Company shall require all other Members and Withdrawn Members to contribute, on a pro rata basis (based on each of their respective Carried Interest Give Back Percentages in the case of Clawback Amounts, and Profit Sharing Percentages in the case of Giveback Amounts (as more fully described in clause (II) of Section 5.7(e)(i)(A) above)), such amounts necessary to fulfill the Defaulting Party's obligation to pay such Defaulting Party's Net Recontribution Amount (a "Deficiency Contribution") if the Managing Member determines in its good faith judgment that the Company will be unable to collect such amount in cash from such Defaulting Party for payment of the Clawback Amount or Giveback Amount, as the case may be, at least 20 Business Days prior to the latest date that the Company, and the Other Fund GPs, if applicable, are permitted to pay the Clawback Amount or Giveback Amount, as the case may be; provided, that, subject to Section 5.7(e), no Member shall as a result of such Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of the Net Recontribution Amount initially requested from such Member in respect of such default. Thereafter, the Managing Member shall determine in its good faith judgment that the Company should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the Managing Member or (2) pursue any and all remedies (at law or equity) available to the Company against the Defaulting Party, the cost of which shall be a Company expense to the extent not ultimately reimbursed by the Defaulting Member. It is agreed that the Company shall have the right (effective upon such Defaulting Party becoming a Defaulting Party) to set-off as appropriate and apply against such Defaulting Party's Net Recontribution Amount any amounts otherwise payable to the Defaulting Party by the Company or any other affiliate thereof (including amounts unrelated to Carried Interest, such as returns of capital and profit thereon). Each Member and Withdrawn Member hereby grants to the Company a security interest, effective upon such Member or Withdrawn Member becoming a Defaulting Party, in all accounts receivable and other rights to receive payment from any affiliate of the Company and agrees that, upon the effectiveness of such security interest, the Company may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member and Withdrawn Member hereby appoints the Company as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Member or Withdrawn Member or in the name of the Company, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Company shall be entitled to collect interest on the Net Recontribution Amount of a Defaulting Party from the date such Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(B) Any Member's or Withdrawn Member's failure to make a Deficiency Contribution shall cause such Member or Withdrawn Member to be a Defaulting Party with respect to such amount. The Company shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Member or Withdrawn Member to satisfy such Member's or Withdrawn Member's obligation to make a Deficiency Contribution before seeking cash contributions from such Member or Withdrawn Member in satisfaction of such Member's or Withdrawn Member's obligation to make a Deficiency Contribution.

(iii) A Member or Withdrawn Member's obligation to make contributions to the Company under this Section 5.7(e) shall survive the termination of the Company.

(e) The Members acknowledge that the Managing Member will (and are hereby authorized to) take such steps as it deems appropriate, in its good faith, to further the objective of providing for the fair and equitable treatment of all Members, including by allocating Writedowns and Losses (as defined in the BMEZP Partnership Agreement) on BMEZP Investments that have been the subject of a Writedown and/or Losses (each, a "Loss Investment") to those Members who participated in such Loss Investments based on their Carried Interest Sharing Percentage therein to the extent that such Members receive or have received Carried Interest Distributions from other BMEZP Investments. Consequently and notwithstanding anything herein to the contrary, adjustments to Carried Interest Distributions shall be made as set forth in this Section 5.7(e).

(i) At the time the Company is making Carried Interest Distributions in connection with a BMEZP Investment (the "Subject Investment") that have been reduced under the BMEZP Partnership Agreement as a result of one or more Loss Investments, the Managing Member shall calculate amounts distributable to or due from each such Member as follows:

(A) determine each Member's share of each such Loss Investment based on his Carried Interest Sharing Percentage in each such Loss Investment (which may be zero) to the extent such Loss Investment has reduced the Carried Interest Distributions otherwise available for distribution to all Members (indirectly through the Company from BMEZP) from the Subject Investment (such reduction, the "Loss Amount");

(B) determine the amount of Carried Interest Distributions otherwise distributable to such Member with respect to the Subject Investment (indirectly through the Company from BMEZP) before any reduction in respect of the amount determined in clause (A) above (the "Unadjusted Carried Interest Distributions"); and

(C) subtract (I) the Loss Amounts relating to all Loss Investments from (II) the Unadjusted Carried Interests Distributions for such Member, to determine the amount of Carried Interest Distributions to actually be paid to such Member ("Net Carried Interest Distribution").

To the extent that the Net Carried Interest Distribution for a Member as calculated in this clause (i) is a negative number, the Managing Member shall (I) notify such Member, at or prior to the time such Carried Interest Distributions are actually made to the Members, of his obligation to recontribute to the Company prior Carried Interest Distributions (a "Net Carried Interest Distribution Recontribution Amount"), up to the amount of such negative Net Carried Interest Distribution, and (II) to the extent amounts recontributed pursuant to clause (I) are insufficient to satisfy such negative Net Carried Interest Distribution Amount, reduce future Carried Interest Distributions otherwise due such Member, up to the amount of such remaining negative Net Carried Interest Distribution. If a Member's (x) Net Carried Interest Distribution Recontribution Amount exceeds (y) the aggregate amount of prior Carried Interest Distributions less the amount of tax thereon, calculated based on the Assumed Tax Rate (as defined in the BMEZP Partnership Agreement) in effect in the Fiscal Years of such distributions (the "Excess Tax-Related Amount"), then such Member may, in lieu of paying such Member's Excess Tax-Related Amount, defer such amounts as set forth below. Such deferred amount shall accrue interest at the Prime Rate. Such deferred amounts shall be reduced and repaid by the amount of Carried Interest

otherwise distributable to such Member in connection with future Carried Interest Distributions until such balance is reduced to zero. Any deferred amounts shall be payable in full upon the earlier of (i) such time as the Clawback Amount is determined (as provided herein) and (ii) such time as the Member becomes a Withdrawn Member.

To the extent there is an amount of negative Net Carried Interest Distribution with respect to a Member remaining after the application of this clause (i), notwithstanding clause (II) of the preceding paragraph, such remaining amount of negative Net Carried Interest Distribution shall be allocated to the other Members pro rata based on each of their Carried Interest Sharing Percentages in the Subject Investment.

A Member who fails to pay a Net Carried Interest Distribution Recontribution Amount promptly upon notice from the Managing Member (as provided above) shall be deemed a Defaulting Party for all purposes hereof.

A Member may satisfy in part any Net Carried Interest Distribution Recontribution Amount from cash that is then subject to a Holdback, to the extent that the amounts that remain subject to a Holdback satisfy the Holdback requirements hereof as it relate to the reduced amount of aggregate Carried Interest Distributions received by such Member (taking into account any Net Carried Interest Distribution Recontribution Amount contributed to the Company by such Member).

Any Net Carried Interest Distribution Recontribution Amount contributed by a Member, including amounts of cash subject to a Holdback as provided above, shall increase the amount available for distribution to the other Members as Carried Interest Distributions with respect to the Subject Investment; provided, that any such amounts then subject to a Holdback may be so distributed to the other Members to the extent a Member receiving such distribution has satisfied the Holdback requirements with respect to such distribution (taken together with the other Carried Interest Distributions received by such Member to date).

(ii) In the case of Clawback Amounts which are required to be contributed to the Company as otherwise provided herein, the obligation of the Members with respect to any Clawback Amount shall be adjusted by the Managing Member as follows:

(A) determine each Member's share of any Losses in any BMEZP Investments which gave rise to the Clawback Amount (i.e., the Losses that followed the last BMEZP Investment with respect to which Carried Interest Distributions were made), based on such Member's Carried Interest Sharing Percentage in such BMEZP Investments;

(B) determine each Member's obligation with respect to the Clawback Amount based on such Member's Carried Interest Give Back Percentage as otherwise provided herein; and

(C) subtract the amount determined in clause (B) above from the amount determined in clause (A) above with respect to each Member to determine the amount of adjustment to each Member's share of the Clawback Amount (a Member's "Clawback Adjustment Amount").

A Member's share of the Clawback Amount shall for all purposes hereof be decreased by such Member's Clawback Adjustment Amount, to the extent it is a negative number (except to the extent expressly provided below). A Member's share of the Clawback Amount shall for all purposes hereof be increased by such Member's Clawback Adjustment Amount (to the extent it is a positive number); provided, that in no way shall a Member's aggregate obligation to satisfy a

Clawback Amount as a result of this clause (ii) exceed the aggregate Carried Interest Distributions received by such Member. To the extent a positive Clawback Adjustment Amount remains after the application of this clause (ii) with respect to a Member, such remaining Clawback Adjustment Amount shall be allocated to the Members (including any Member whose Clawback Amount was increased pursuant to this clause (ii)) pro rata based on their Carried Interest Give Back Percentages (determined without regard to this clause (ii)).

Any distribution or contribution adjustments pursuant to this Section 5.7(e) by the Managing Member shall be based on its good faith judgment, and no Member shall have any claim against the Company, the Managing Member or any other Members as a result of any adjustment made as set forth above. This Section 5.7(e) applies to all Members, including Withdrawn Members.

It is agreed and acknowledged that this Section 5.7(e) is an agreement among the Members and in no way modifies the obligations of each Member regarding the Clawback Amount as provided in the BMEZP Partnership Agreement.

5.8 Business Expenses . The Company shall reimburse the Members for reasonable travel, entertainment and miscellaneous expenses incurred by them in the conduct of the Company's business in accordance with rules and regulations established by the Managing Member from time to time.

ARTICLE VI

ADDITIONAL MEMBERS; WITHDRAWAL OF MEMBERS; SATISFACTION AND DISCHARGE OF COMPANY INTERESTS; TERMINATION

6.1 Additional Members .

(a) Effective on the first day of any month, the Managing Member shall have the right to admit one or more additional persons into the Company as Regular Members or Special Members. The Managing Member shall determine and negotiate with the additional Member all terms of such additional Member's participation in the Company, including the additional Member's initial capital contribution and Profit Sharing Percentage. Each additional Member shall have such voting rights as may be determined by the Managing Member from time to time unless, upon the admission to the Company of any Special Member, the Managing Member shall designate that such Special Member shall not have such voting rights (any such Special Member being called a "Nonvoting Special Member"). Any additional Member shall, as a condition to becoming a Member, agree to become a party to, and be bound by the terms and conditions of, the Trust Agreement.

(b) The Profit Sharing Percentages to be allocated to an additional Member as of the date such Member is admitted to the Company, together with the pro rata reduction in all other Members' Profit Sharing Percentages as of such date, shall be established by the Managing Member pursuant to Section 5.3.

(c) An additional Member shall be required to contribute to the Company his pro rata share of the Company's total capital, excluding capital in respect of Investments in which such Member does not acquire any interests, at such times and in such amounts as shall be determined by the Managing Member in accordance with Section 4.1.

(d) The admission of an additional Member will be evidenced by (i) the execution of a counterpart copy of this Agreement by such additional Member or (ii) the execution of an amendment to this Agreement by all the Members (including the additional Member), as determined by the Managing Member.

6.2 Withdrawal of Members .

(a) Any Member may Withdraw voluntarily from the Company on the last day of any calendar month, on not less than 15 days' prior written notice by such Member to the Managing Member (or on such shorter notice period as may be mutually agreed upon between such Member and the Managing Member); provided, that a Member may not voluntarily Withdraw without the consent of the Managing Member if such Withdrawal would (i) cause the Company to be in default under any of its contractual obligations or (ii) in the reasonable judgment of the Managing Member, have a material adverse effect on the Company or its business.

(b) Upon the Withdrawal of any Member, including by the occurrence of any withdrawal event under the LLC Act with respect to any Member, such Member shall thereupon cease to be a Member, except as expressly provided herein.

(c) Upon the Total Disability of a Regular Member, such Member shall thereupon cease to be a Regular Member; provided, that the Managing Member may elect to admit such Withdrawn Member to the Company as a Nonvoting Special Member with such Interest as the Managing Member may determine. The determination of whether any Member has suffered a Total Disability shall be made by the Managing Member in its sole after consultation with a qualified medical doctor. In the absence of agreement between the Managing Member and such Member, each party shall nominate a qualified medical doctor and the two doctors shall select a third doctor, who shall make the determination as to Total Disability.

(d) If the Managing Member determines or with a Majority in Interest of the Members that it shall be in the best interests of the Company for any Member (including any Member who has given notice of voluntary Withdrawal pursuant to paragraph (a) above) to Withdraw from the Company (whether or not Cause exists), such Member, upon written notice by the Managing Member to such Member, shall be required to Withdraw as of a date specified in such notice, which date shall be on or after the date of such notice. If the Managing Member requires any Member to Withdraw for Cause, such notice shall state that it has been given for Cause and shall describe the particulars thereof in reasonable detail.

(e) The Withdrawal from the Company of any Member shall not, in and of itself, affect the obligations of the other Members to continue the Company during the remainder of its term.

6.3 Company Interests Not Transferable .

(a) No Member may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Member's Interest other than as permitted by written agreement between such Member and the Company; provided , that this Section 6.3 shall not impair transfers by operation of law, transfers by will or by other testamentary instrument occurring by virtue of the death or dissolution of a Member, or transfers required by trust agreements; provided further , that a Regular Member may transfer, for estate planning purposes, up to 25% of his Profit Sharing Percentage to any estate planning trust, limited partnership, or limited liability company with respect to which a Regular Member controls investments related to any interest in the Company held therein (an "Estate Planning Vehicle"). Each

Estate Planning Vehicle will be a Nonvoting Special Member. Such Regular Member and the Nonvoting Special Member shall be jointly and severally liable for all obligations of both such Regular Member and such Nonvoting Special Member with respect to the Company (including the obligation to make additional capital contributions), as the case may be. The Managing Member may at its sole option exercisable at any time require any Estate Planning Vehicle to withdraw from the Company on the terms of this Article VI. Except as provided in the second proviso to the first sentence of this Section 6.3, no assignee, legatee, distributee, heir or transferee (by conveyance, operation of law or otherwise) of the whole or any portion of any Member's Interest shall have any right to be a Member without the prior written consent of the Managing Member (which consent may be withheld without giving reason therefor). Notwithstanding the granting of a security interest in the entire Interest of any Member, such Member shall continue to be a Member of the Company.

6.4 Consequences upon Withdrawal of a Member .

(a) The Withdrawal of a Regular Member shall not dissolve the Company if at the time of such Withdrawal there are one or more remaining Regular Members and any one or more of such remaining Regular Members continue the business of the Company (any and all such remaining Regular Members being hereby authorized to continue the business of the Company without dissolution and hereby agreeing to do so). Notwithstanding Section 6.4(b), if upon the Withdrawal of a Regular Member there shall be no remaining Regular Member, the Company shall be dissolved and shall be wound up unless, within 90 days after the occurrence of such Withdrawal, all remaining Special Members agree in writing to continue the business of the Company and to the appointment, effective as of the date of such Withdrawal, of one or more Regular Members.

(b) The Company shall not be dissolved, in and of itself, by the Withdrawal of any Member, but shall continue with the surviving or remaining Members as members thereof in accordance with and subject to the terms and provisions of this Agreement.

6.5 Satisfaction and Discharge of a Withdrawn Member's Interest .

(a) As used in this Agreement, (i) the term "Withdrawn Member" shall mean a Member whose interest in the Company has been terminated for any reason, including the occurrence of an event specified in Section 6.2, and shall include, unless the context requires otherwise, the estate or legal representatives of any such Member, (ii) the term "Withdrawal Date" shall mean the date of the Withdrawal from the Company of a Withdrawn Member and (iii) the term "Settlement Date" shall mean the date as of which a Withdrawn Member's Interest is settled as determined under paragraph (b) below. The provisions of this Section 6.5 are subject to any written agreements between a Withdrawn Member and the Company or an affiliate thereof in accordance with Section 7.4. Notwithstanding the foregoing, any Regular Member who Withdraws from the Company, and all or any portion of his Interest is retained as a Special Member, shall be considered a Withdrawn Member for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Member's interest in the Company may be agreed to by the Managing Member and a Withdrawn Member, a Withdrawn Member's Settlement Date shall be his Withdrawal Date; provided, that if a Withdrawn Member's Withdrawal is not the last day of a month, then the Managing Member may elect for such Withdrawn Member's Settlement Date to be the last day of the month in which his Withdrawal Date occurs. During the interval, if any, between a Withdrawn Member's Withdrawal Date and Settlement Date, such Withdrawn Member shall have the same rights and obligations with respect to capital contributions, interest on capital, allocations of Net Income (Loss) and distributions as would have applied had such Withdrawn Member remained a Member of the Company during such period.

(c) In the event of the Withdrawal of a Member, the Managing Member shall promptly after such Withdrawn Member's Settlement Date (i) determine and allocate to the Withdrawn Member's capital account such Withdrawn Member's allocable share of the Net Income (Loss) of the Company for the period ending on such Settlement Date in accordance with Article V and (ii) credit the Withdrawn Member's capital account with interest in accordance with Section 5.2. In making the foregoing calculations, the Managing Member shall be entitled to establish such reserves (including reserves for taxes, bad debts, unrealized losses, actual or threatened litigation or any other expenses, contingencies or obligations) as it deems appropriate. Unless otherwise determined by the Managing Member in a particular case, a Withdrawn Member shall not be entitled to receive any Unallocated Percentage in respect of the accounting period during which such Member Withdraws from the Company (whether or not previously awarded or allocated) or Unallocated Percentage in respect of prior accounting periods that have not been paid or allocated (whether or not previously awarded) as of such Withdrawn Member's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Member, the Withdrawn Member's Profit Sharing Percentages shall, unless otherwise allocated by the Managing Member pursuant to Section 5.3(a), be deemed to be Unallocated Percentages (except for Profit Sharing Percentages with respect to Investments as provided in paragraph (f) below).

(e) (i) Upon the Withdrawal from the Company of a Member, such Withdrawn Member thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Member (including voting rights), and, except as expressly provided in this Section 6.5, such Withdrawn Member shall not have any interest in the Company's Net Income (Loss), distributions, Investments or other assets. If a Member Withdraws from the Company for any reason other than for Cause pursuant to Section 6.2, then the Withdrawn Member shall be entitled to receive, at the time or times specified in paragraph (i) below, in satisfaction and discharge in full of the Withdrawn Member's Interest, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Member's capital accounts, (excluding any capital account or portion thereof attributable to any Investment) and (y) the Withdrawn Member's percentage interest attributable to each Investment in which the Withdrawn Member has an interest as of the Settlement Date as provided in paragraph (f) below (which shall be settled in accordance with paragraph (f) below), subject to all the terms and conditions of paragraphs (a)—(q) of this Section 6.5. If the amount determined pursuant to clause (x) above is an aggregate negative balance, the Withdrawn Member shall pay the amount thereof to the Company upon demand by the Managing Member on or after the date of the statement referred to in paragraph (i) below; provided, that if the Withdrawn Member was solely a Special Member on his Withdrawal Date, such payment shall be required only to the extent of any amounts payable to such Withdrawn Member pursuant to this Section 6.5. Any aggregate negative balance in the capital accounts of a Withdrawn Member who was solely a Special Member, upon the settlement of such Withdrawn Member's Interest pursuant to this Section 6.5, shall be allocated among the other Members' capital accounts in accordance with their respective Profit Sharing Percentages in the categories of Net Income (Loss) giving rise to such negative balance as determined by the Managing Member as of such Withdrawn Member's Settlement Date. In the settlement of any Withdrawn Member's interest in the Company, no value shall be ascribed to goodwill, the Company name or in anticipation of any value the Company or any successor thereto might have in the event the Company or any interest therein were to be sold in whole or in part.

(ii) Notwithstanding clause (i) of this Section 6.5(e), in the case of a Member whose Withdrawal resulted from such Member's death or Incompetence, such Member's estate or legal representative, as the case may be, may elect, at the time described below, to receive a Nonvoting Special Member Interest and retain such Member's Profit Sharing Percentage in all (but not less than all) illiquid investments of the Company in lieu of a cash payment (or Note) in settlement of

that portion of the Withdrawn Member's interest. The election referred to above shall be made within 60 days after the Withdrawn Member's Settlement Date, based on a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to Section 6.5.

(f) For purposes of clause (y) of paragraph (e) above, a Withdrawn Member's "percentage interest" means his Profit Sharing Percentage as of the Settlement Date in the relevant Investment. The Withdrawn Member shall retain his percentage interest in such Investment and shall retain his capital account or portion thereof attributable to such Investment, in which case such Withdrawn Member (a "Retaining Withdrawn Member") shall become and remain a Special Member for such purpose (if the Managing Member so designates such Special Member shall be a Nonvoting Special Member). The Interests of a Retaining Withdrawn Member pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to Interests of any kind hereunder and such other terms and conditions as are established by the Managing Member. At the option of the Managing Member in its sole discretion, the Managing Member and the Retaining Withdrawn Member may agree to have the Company acquire such interests without the approval of the other Members; provided, that the Managing Member shall reflect in the books and records of the Company the terms of any acquisition pursuant to this sentence.

(g) The Managing Member may elect, in lieu of payment in cash of any amount payable to a Withdrawn Member pursuant to paragraph (e) above, to (i) have the Company issue the Withdrawn Member a subordinated promissory note as provided in paragraph (k) below and/or to, distribute in kind to the Withdrawn Member such Withdrawn Member's pro rata share (as determined by the Managing Member) of any securities or other investments of the Company. If any securities or other investments are distributed in kind to a Withdrawn Member under this paragraph (g), the amount described in clause (x) of paragraph (e) shall be reduced by the value of such distribution as valued on the latest balance sheet of the Company in accordance with generally accepted accounting principles or, if not appearing on such balance sheet, as reasonably determined by the Managing Member.

(h) [Intentionally omitted].

(i) Within 120 days after each Settlement Date, the Managing Member shall submit to the Withdrawn Member a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to this Section 6.5 together with any cash payment, subordinated promissory note (as referred to in paragraph (k) below) and in kind distributions to be made to such Member as shall be determined by the Managing Member. The Managing Member shall submit to the Withdrawn Member supplemental statements with respect to additional amounts payable to or by the Withdrawn Member in respect of the settlement of his interest in the Company (e.g., payments in respect of Investments pursuant to paragraph (f) above or adjustments to reserves pursuant to paragraph (j) below) promptly after such amounts are determined by the Managing Member. To the fullest extent permitted by law, such statements and the valuations on which it are based shall be accepted by the Withdrawn Member without examination of the accounting books and records of the Company or other inquiry. Any amounts payable by the Company to a Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment or provision for payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to the applicable date of payment or distribution; provided, that such Withdrawn Member shall otherwise rank pari passu in right of payment (x) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year before the Withdrawal Date of the Withdrawn Member in question and (y) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year after the Withdrawal Date of the Withdrawn Member in question.

(j) If the aggregate reserves established by the Managing Member as of the Settlement Date in making the foregoing calculations should prove, in the determination of the Managing Member, to be excessive or inadequate, the Managing Member may elect, but shall not be obligated, to pay the Withdrawn Member or his estate such excess, or to charge the Withdrawn Member or his estate such deficiency, as the case may be.

(k) Any amounts owed by the Withdrawn Member to the Company at any time on or after the Settlement Date (e.g., outstanding Company loans or advances to such Withdrawn Member) shall be offset against any amounts payable or distributable by the Company to the Withdrawn Member at any time on or after the Settlement Date or shall be paid by the Withdrawn Member to the Company, in each case as determined by the Managing Member. All cash amounts payable by a Withdrawn Member to the Company under this Section 6.5 shall bear interest from the due date to the date of payment at a floating rate equal to the lesser of (x) the rate of interest publicly announced from time to time by The Chase Manhattan Bank in New York City as its prime rate and (y) the maximum rate of interest permitted by applicable law. The "due date" of amounts payable by a Withdrawn Member pursuant to paragraph (i) above shall be 120 days after a Withdrawn Member's Settlement Date. The "due date" of amounts payable to or by a Withdrawn Member in respect of Investments for which the Withdrawn Member has retained a percentage interest in accordance with paragraph (f) above shall be 120 days after realization with respect to such Investment. The "due date" of any other amounts payable by a Withdrawn Member shall be 60 days after the date such amounts are determined to be payable.

(l) At the time of the settlement of any Withdrawn Member's interest in the Company pursuant to this Section 6.5, the Managing Member may, to the fullest extent permitted by applicable law, impose any restrictions it deems appropriate on the assignment, pledge, encumbrance or other transfer by such Withdrawn Member of any interest in any Investment retained by such Withdrawn Member, any securities or other investments distributed in kind to such Withdrawn Member or such Withdrawn Member's right to any payment from the Company.

(m) If a Member is required to Withdraw from the Company for Cause pursuant to Section 6.2(d), then his Interest shall be settled in accordance with paragraphs (a)-(n) of this Section 6.5; provided, that the Managing Member may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement:

(i) In settling the Withdrawn Member's interest in any Investment in which he has an interest as of his Settlement Date, the Managing Member may elect to (A) determine the Unrealized Net Income (Loss) attributable to each such Investment as of the Settlement Date and allocate to the appropriate capital account of the Withdrawn Member his allocable share of such Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Member's capital account pursuant to clause (x) of paragraph (e) above, (B) credit or debit, as applicable, the Withdrawn Member with the balance of his capital account or portion thereof attributable to each such Investment as of his Settlement Date without giving effect to the Unrealized Net Income (Loss) from such Investment as of his Settlement Date, which shall be forfeited by the Withdrawn Member or (C) apply the provisions of paragraph (f) above, provided, that the maximum amount of Net Income (Loss) allocable to such Withdrawn Member with respect to any Investment shall equal such Member's percentage interest of the Unrealized Net Income, if any, attributable to such Investment as of the Settlement Date (the balance of such Net Income (Loss), if any, shall be allocated as determined by the Managing Member). The Withdrawn Member shall not have any continuing interest in any Investment to the extent an election is made pursuant to (A) or (B) above.

(ii) Any amounts payable by the Company to the Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to or on or after the applicable date of payment or distribution.

(n) The payments to a Withdrawn Member pursuant to this Section 6.5 may be conditioned on the compliance by such Withdrawn Member with any lawful and reasonable (under the circumstances) restrictions against engaging or investing in a business competitive with that of the Company or any of its subsidiaries and affiliates for a period not exceeding two years determined by the Managing Member. Upon written notice to the Managing Member, any Withdrawn Member who is subject to noncompetition restrictions established by the Managing Member pursuant to this paragraph (o) may elect to forfeit the principal amount payable in the final installment of his subordinated promissory note under paragraph (k) above, together with interest to be accrued on such installment after the date of forfeiture, in lieu of being bound by such restrictions.

(o) In addition to the foregoing, the Managing Member shall have the right to pay a Withdrawn Member a discretionary additional payment in an amount and based upon such circumstances and conditions as it determines to be relevant.

(p) The provisions of this Section 6.5 shall apply to any Investor Special Member relating to a Regular Member or Special Member and to any transferee of any interest of such Member pursuant to Section 6.3 if such Member Withdraws from the Company.

(q) (i) The Company will assist a Withdrawn Member or his estate or guardian, as the case may be, in the settlement of the Withdrawn Member's Interest in the Company. Third party costs incurred by the Company in providing this assistance will be borne by the Withdrawn Member or his estate.

(ii) The Company may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Members or their estates or guardians, as referred to above. In such instances, the Company will obtain the prior approval of a Withdrawn Member or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his estate or guardian) declines to incur such costs, the Company will provide such reasonable assistance as and when it can so as not to interfere with the Company's day-to-day operating, financial, tax and other related responsibilities to the Company and the Members.

6.6 Dissolution of the Company . The Managing Member may dissolve the Company prior to the expiration of its term at any time on not less than 60 days' notice of the dissolution date given to the other Members. Upon the dissolution of the Company, and following the payment of creditors of the Company and the making of provisions for the payment of any contingent, conditional or unmatured claims known to the Company as required under the LLC Act, the Members' respective interests in the Company shall be valued and settled in accordance with the procedures set forth in Sections 5.9 and 6.5. The Managing Member shall be the liquidators. In the event that the Managing Member are unable to serve as liquidators, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Members voting at a meeting of Members (excluding Nonvoting Special Members).

6.7 Certain Tax Matters .

All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members for Federal, state and local income tax purposes in the same manner as such items of income, gain, loss, deduction and credit shall be allocated among the Members pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. To the extent Treasury Regulations promulgated pursuant to Subchapter K of the Code (including under Sections 704(b) and (c) of the Code) or other applicable law require allocations for tax purposes that differ from the foregoing allocations, the Managing Member may determine the manner in which such tax allocations shall be made so as to comply more fully with such Treasury Regulations or other applicable law and, at the same time, preserve the economic relationships among the Members as set forth in this Agreement. In the event there is a net decrease in partnership minimum gain or partner nonrecourse debt minimum gain (determined in accordance with the principles of Regulation Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Company, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to its respective share of such net decrease during such year, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(f).

(a) The Managing Member shall cause to be prepared all Federal, state and local tax returns of the Company for each year for which such returns are required to be filed and, after approval of such returns by the Managing Member, shall cause such returns to be timely filed. The Managing Member shall determine the appropriate treatment of each item of income, gain, loss, deduction and credit of the Company and the accounting methods and conventions under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of any such item or any other method or procedure related to the preparation of such tax returns. The Managing Member may cause the Company to make or refrain from making any and all elections permitted by such tax laws. Each Member agrees that he shall not, unless he provides prior notice of such action to the Company, (i) treat, on his individual income tax returns, any item of income, gain, loss, deduction or credit relating to his interest in the Company in a manner inconsistent with the treatment of such item by the Company as reflected on the Form K-1 or other information statement furnished by the Company to such Member for use in preparing his income tax returns or (ii) file any claim for refund relating to any such item based on, or which would result in, such inconsistent treatment. In respect of an income tax audit of any tax return of the Company, the filing of any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company, or any administrative or judicial proceedings arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, (A) the Tax Matters Member (as defined below) shall be authorized to act for, and his decision shall be final and binding upon, the Company and all Members except to the extent a Member shall properly elect to be excluded from such proceeding pursuant to the Code, (B) all expenses incurred by the Tax Matters Member in connection therewith (including, without limitation, attorneys', accountants' and other experts' fees and disbursements) shall be expenses of the Company and (C) no Member shall have the right to (1) participate in the audit of any Company tax return, (2) file any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company (unless he provides prior notice of such action to the Company as provided above), (3) participate in any administrative or judicial proceedings conducted by the Company or the Tax Matters Member arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, or (4) appeal, challenge or otherwise protest any adverse findings in any such audit conducted by the Company or the Tax Matters Member or with respect to any such amended return or claim for refund filed by the Company or the Tax Matters Member or in any such administrative or judicial proceedings conducted by the Company or the Tax Matters Member. The Company and each Member hereby designate any Member selected by the

Managing Member as the "tax matters partner" for purposes of Section 6231(a)(7) of the Code (the "Tax Matters Member"). To the fullest extent permitted by applicable law, each Member agrees to indemnify and hold harmless the Company and all other Members from and against any and all liabilities, obligations, damages, deficiencies and expenses resulting from any breach or violation by such Member of the provisions of this Section 6.8 and from all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees and disbursements, incident to any such breach or violation.

(b) Each individual Member shall provide to the Company copies of each Federal, state and local income tax return of such Member (including any amendment thereof) within 30 days after filing such return.

6.8 Special Basis Adjustments . In connection with any assignment or transfer of a Company interest permitted by the terms of this Agreement, the Managing Member may cause the Company, on behalf of the Members and at the time and in the manner provided in Code regulation Section 1.754-1(b), to make an election to adjust the basis of the Company's property in the manner provided in Sections 734 (b) and 743(b) of the Code.

ARTICLE VII

MISCELLANEOUS

7.1 Submission to Jurisdiction; Waiver of Jury Trial .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the Managing Member may bring, or may cause the Company to bring, on behalf of the Managing Member or the Company or on behalf of one or more Members, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Member (i) expressly consents to the application of paragraph (c) of this Section 7.1 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Managing Member as such Member's agents for service of process in connection with any such action or proceeding and agrees that service of process upon any such agent, who shall promptly advise such Member of any such service of process, shall be deemed in every respect effective service of process upon the Member in any such action or proceeding.

(c) (i) EACH MEMBER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS

SECTION 7.1, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 7.1 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 7.1 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq.) (the "Delaware Arbitration Act"). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 7.1, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 7.1. In that case, this Section 7.1 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 7.1 shall be construed to omit such invalid or unenforceable provision.

7.2 Ownership and Use of the Company Name . The Company acknowledges that Blackstone Financial Services Inc. ("BFS"), a Delaware corporation with a principal place of business at 345 Park Avenue, New York, New York 10154, (or its successors or assigns) is the sole and exclusive owner of the mark and name BLACKSTONE and that the ownership of, and the right to use, sell or otherwise dispose of, the firm name or any abbreviation or modification thereof which consists of or includes BLACKSTONE, shall belong exclusively to BFS, which company (or its predecessors, successors or assigns) has licensed the Company to use BLACKSTONE in its name. The Company acknowledges that BFS owns the service mark BLACKSTONE for various services and that the Company is using the BLACKSTONE mark and name on a non-exclusive, non-sublicensable and non-assignable basis in connection with its business and authorized activities with the permission of BFS. All services rendered by the Company under the BLACKSTONE mark and name will be rendered in a manner and with quality levels that are consistent with the high reputation heretofore developed for the BLACKSTONE mark by BFS and its affiliates and licensees. The Company understands that BFS may terminate its right to use BLACKSTONE at any time in BFS sole discretion by giving the Company written notice of termination. Promptly following any such termination, the Company will take all steps necessary to change its company name to one which does not include BLACKSTONE or any confusingly similar term and cease all use of BLACKSTONE or any term confusingly similar thereto as a service mark or otherwise.

7.3 Written Consent . Any action required or permitted to be taken by a vote of Members at a meeting may be taken without a meeting if a Majority in Interest of the Members consent thereto in writing.

7.4 Letter Agreements; Schedules . The Managing Member may, or may cause the Company to, enter into separate letter agreements with certain Members, officers or employees with respect to Profit Sharing Percentages, benefits or any other matter, in each case on terms and conditions not inconsistent with this Agreement; provided, that, notwithstanding the foregoing, any terms of this Agreement may be made subject to any such letter agreements to the extent provided elsewhere

herein. The Managing Member may from time to time execute and deliver to the Members schedules which set forth the then current capital balances and Profit Sharing Percentages of the Members and any other matters deemed appropriate by the Managing Member. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

7.5 Governing Law; Separability of Provisions . This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to principles of conflict of laws. In particular, the Company has been formed pursuant to the LLC Act, and the rights and liabilities of the Members shall be as provided therein, except as herein otherwise expressly provided. If any provision of this Agreement shall be held to be invalid, such provision shall be given its meaning to the maximum extent permitted by law and the remainder of this Agreement shall not be affected thereby.

7.6 Successors and Assigns; Third Party Beneficiaries . This Agreement shall be binding upon and shall, subject to the penultimate sentence of Section 6.3, inure to the benefit of the parties hereto, their respective heirs and personal representatives, and any successor to a trustee of a trust which is or becomes a party hereto; provided, that no person claiming by, through or under a Member (whether such Member's heir, personal representative or otherwise), as distinct from such Member itself, shall have any rights as, or in respect to, a Member (including the right to approve or vote on any matter or to notice thereof) except the right to receive only those distributions expressly payable to such person pursuant to Article VI. Any Member or Withdrawn Member shall remain liable for the obligations under this Agreement (including any Net Recontribution Amounts) of any transferee of all or any portion of such Member's or Withdrawn Member's interest in the Company, unless waived by the Managing Member. The Company shall, if the Managing Member determines, in its good faith judgment, based on the standard set forth in Section 5.7(e)(ii)(A), to pursue such transferee, pursue payment (including any Net Recontribution Amounts) from the transferee with respect to any such obligations. Nothing in this Agreement is intended, nor shall anything herein be construed, to confer any rights, legal or equitable, in any person other than the Members and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, the provisions of Sections 5.7(d)(i) and (iii) shall inure to the benefit of the limited partners or other investors in BMEZP, and such limited partners or investors shall have the right to enforce the provisions thereof to the extent the Company does not otherwise do so.

7.7 Confidentiality . By executing this Agreement, each Member expressly agrees, at all times during the term of the Company and thereafter and whether or not at the time a Member of the Company, to maintain the confidentiality of, and not to disclose to any person other than the Company, another Member or a person designated by the Company, any information relating to the business, financial structure, financial position or financial results, clients or affairs of the Company that shall not be generally known to the public or the securities industry, except as otherwise required by law or by any regulatory or self-regulatory organization having jurisdiction; provided, that any corporate Member may disclose any such information it is required by law, rule, regulation or custom to disclose.

7.8 Notices . Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including telecopy or similar writing) and shall be given to any Member at its address or telecopy number shown in the Company's books and records or, if given to the Managing Member, at the address of the Company provided herein. Each such notice shall be effective (i) if given by telecopy, upon dispatch, (ii) if given by mail, when deposited in the mails (first class postage prepaid) addressed as aforesaid and (iii) if given by any other means, when delivered to the address of such Member or the Managing Member specified as aforesaid.

7.9 Counterparts . This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument.

7.10 Power of Attorney . Each Member hereby irrevocably appoints the Managing Member as such Member's true and lawful representative and attorney-in-fact in such Member's name, place and stead, to make, execute, sign and file all instruments, documents and certificates which, from time to time, may be required to set forth any amendment to this Agreement or may be required by this Agreement or by the laws of the United States of America, the State of Delaware or any other state in which the Company shall determine to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the subsequent Withdrawal from the Company of any Member for any reason and shall not be affected by the subsequent disability or incapacity of such Member.

7.11 Member's Will . Each Member and Withdrawn Member shall include in his or her will a provision substantially identical to that addresses certain matters in respect of his or her obligation relating to the Company that is satisfactory to the Managing Member and each such Member and Withdrawn Member shall confirm annually to the Company, in writing, that such provision remains in his current will. Where applicable, any estate planning trust of such Member or Withdrawn Member to which a portion of such Member's or Withdrawn Member's Interest is transferred shall include a provision substantially similar to such provision and the trustee of such trust shall confirm annually to the Company, in writing, that such provision or its substantial equivalent remains in such trust. In the event any Member or Withdrawn Member fails to comply with the provisions of this Section 7.10 after the Company has notified such Member or Withdrawn Member of his failure to so comply and such failure to so comply is not cured within 30 days of such notice, the Company may withhold any and all distributions to such Member until the time at which such party complies with the requirements of this Section 7.10.

7.12 Cumulative Remedies . Rights and remedies under this Agreement are cumulative and do not preclude use of other rights and remedies available under applicable law.

7.13 Legal Fees . Except as more specifically provided herein, in the event of a legal dispute (including litigation, arbitration or mediation) between any Member or Withdrawn Member and the Company, arising in connection with any party seeking to enforce Section 4.1(d) or any other provision of this Agreement relating to the Holdback, the Clawback Amount, the Giveback Amount or the Recontribution Amount, the "losing" party to such dispute shall promptly reimburse the "victorious party" for all reasonable legal fees and expenses incurred in connection with such dispute (such determination to be made by the relevant adjudicator). Any amounts due under this Section 7.12 shall be paid within 30 days of the date upon which such amounts are due to be paid and such amounts remaining unpaid after such date shall accrue interest at the Default Interest Rate.

7.14 Entire Agreement . This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. Subject to Section 7.4, this Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written. In the event that it is impracticable to obtain the signature of any of the Members to this Agreement, this Agreement shall be binding among the other Members executing the same.

MANAGING MEMBER:

BLACKSTONE HOLDINGS II L.P.

By: Blackstone Holdings I/II GP Inc.,
its General Partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Authorized Person

Exhibit 10.17

BLACKSTONE MEZZANINE MANAGEMENT ASSOCIATES II L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

DATED AS OF MAY 31, 2007

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BLACKSTONE MEZZANINE MANAGEMENT ASSOCIATES II L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT of Blackstone Mezzanine Management Associates II L.L.C. (the " Company "), dated as of May 31, 2007, by and among Blackstone Holdings II L.P., a Delaware limited partnership (the " Managing Member " or " Holdings "), the other members of the Company as provided on the signature pages hereto, and such other persons that are admitted to the Company as members after the date hereof in accordance herewith.

WHEREAS, the Company was formed under the LLC Act (defined below) pursuant to a certificate of formation filed in the office of the Secretary of State of the State of Delaware on May 27, 2005;

WHEREAS, the original limited liability company agreement of the Company was executed as of May 27, 2005 (the " Original Operating Agreement ");

WHEREAS, the Original Operating Agreement was amended and restated in its entirety by the Amended and Restated Limited Liability Company Agreement, dated as of June 10, 2005, of the Company (as amended to date, the " First Amended and Restated Operating Agreement "); and

WHEREAS, the parties hereto now wish to amend and restate the First Amended and Restated Operating Agreement in its entirety as of the date hereof and as more fully set forth below.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions . Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

" Agreement " means this Second Amended and Restated Limited Liability Company Agreement, as it may be further amended, supplemented, restated or otherwise modified from time to time.

" Alternative Vehicle " means any investment vehicle or structure formed pursuant to paragraph 2.7.1 of the BMEZP II Partnership Agreement or any other "Alternative Vehicle" (as defined in any other BMEZP II Agreements).

" Applicable Collateral Percentage " shall have the meaning with respect to any Firm Collateral and any Special Firm Collateral, in each case, as set forth in the books and records of the Company with respect thereto.

" BCP " means Blackstone Capital Partners L.P., a Delaware limited partnership, and any investment vehicle established in accordance with the terms of Blackstone Capital Partners L.P.'s partnership agreement to invest in lieu of Blackstone Capital Partners L.P. on behalf of one or more of the partners thereof.

" BCP II " means Blackstone Capital Partners II Merchant Banking Fund L.P., a Delaware limited partnership formerly known as Blackstone Domestic Capital Partners II L.P., Blackstone Offshore Capital Partners II L.P., a Cayman Islands exempted limited partnership, and any investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreement of either of such partnerships.

" BCP III " means Blackstone Capital Partners III Merchant Banking Fund L.P., a Delaware limited partnership, Blackstone Offshore Capital Partners III L.P., a Cayman Islands exempted limited partnership, and any other investment vehicle or structure formed to invest in lieu thereof (in whole or in part).

" BCP IV " is the collective reference to Blackstone Capital Partners IV L.P., a Delaware limited partnership, Blackstone Capital Partners IV—A L.P., a Delaware limited partnership, and any other investment vehicle or structure formed to invest in lieu thereof (in whole or in part).

" BFMEZP II " means Blackstone Family Mezzanine Partnership II L.P., a Delaware limited partnership.

" BFMEZP II Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Family Mezzanine Partnership II L.P., dated as of the date hereof, as amended, supplemented or otherwise modified from time to time, and any other BFMEZP II partnership agreement.

" Blackstone Capital Commitment " has the meaning set forth in the BMEZP II Partnership Agreement.

" Blackstone Co-Investment Rights " has the meaning set forth in the BMEZP II Partnership Agreement.

" BMEZA II " means Blackstone Mezzanine Associates II L.P., a Delaware limited partnership.

" BMEZCA II " means Blackstone Mezzanine Capital Associates II L.P., a Delaware limited partnership, and any other partnership or other entity with terms substantially similar to the terms of that partnership and formed after the date hereof in connection with the indirect participation by one or more partners thereof who receive Carried Interest.

" BMEZCA II Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Mezzanine Capital Associates II L.P., dated as of the date hereof, as amended, supplemented or otherwise modified from time to time, and any other BMEZCA II partnership agreement.

" BMEZH II " means Blackstone Mezzanine Holdings II L.P., a Delaware limited partnership.

" BMEZMA II " means Blackstone Mezzanine Management Associates II L.L.C., a Delaware limited liability company.

" BMEZP" means (i) Blackstone Mezzanine Partners L.P., a Delaware limited partnership, (ii) any other Parallel Funds or other Supplemental Capital Vehicles (each as defined in the amended and restated agreement of limited partnership, as amended, of BMEZP, or (iii) any other investment vehicle established pursuant to Article 2 of amended and restated agreement of limited partnership, as amended, of BMEZP.

" BMEZP II" means (i) Blackstone Mezzanine Partners II L.P., a Delaware limited partnership, (ii) any other Parallel Funds or other Supplemental Capital Vehicles (each as defined in the BMEZP II Partnership Agreement), or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

" BMEZP II Agreements " means the BMEZP II Partnership Agreement and any other BMEZP II partnership agreements.

" BMEZP II Investment " means the Company's indirect interest in a specific BMEZP II investment pursuant to the BMEZP II Partnership Agreement in its capacity as an indirect partner of BMEZP II, but does not include any direct or indirect investment by the Company on a side-by-side basis in any BMEZP II investment.

" BMEZP II Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership, dated as of the date hereof, of the partnership referred to in clause (i) of the definition of "BMEZP II" in this Article I, as each of such agreements may be amended, supplemented or otherwise modified from time to time.

" B MM CCP II " means Blackstone MM Capital Commitment Partners II L.P., a Delaware limited partnership.

" B MM CCP II Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone MM Capital Commitment Partners II L.P., dated as of the date hereof, as amended, supplemented or otherwise modified from time to time, and any other B MM CCP II partnership agreement.

" Carried Interest " shall mean (i) distributions to the general partner of BMEZP II pursuant to Article Four and paragraph 9.2 of the BMEZP II Partnership Agreement (or similar provisions of investment vehicles formed after the date hereof) and (ii) any other carried interest payable pursuant to the BMEZP II Partnership Agreement. In the case of each of (i) and (ii) above, except as determined by the Managing Member, the amount shall not be less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto (in each case which the Managing Member may allocate among all or any portion of the Investments as it determines in good faith is appropriate).

" Carried Interest Give Back Percentage " shall mean, for any Member or Withdrawn Member, subject to Section 5.7(e), the percentage determined by dividing (A) the aggregate amount of distributions received by such Member or Withdrawn Member from the Company, any Other Fund GPs or their affiliates, excluding Holdings, in respect of Carried Interest by (B) the aggregate amount of distributions made to all Members, Withdrawn Members or any other person by the Company, any Other Fund GP or their affiliates (in any capacity), excluding Holdings, in respect of Carried Interest. For purposes of determining "Carried Interest Give Back Percentage" hereunder, all Trust Amounts contributed to the Trust by the Company, Other Fund GPs or their affiliates on behalf of a Member or Withdrawn Member (but not the Trust Income thereon) shall be deemed to have been initially distributed or paid to the Members and Withdrawn Members as members or partners of the Company, any of the Other Fund GPs or their affiliates.

" Carried Interest Sharing Percentage " means, with respect to each Investment, the percentage interest of a Member in Carried Interest from such Investment set forth in the books and records of the Company.

" Cause " means the occurrence or existence of any of the following with respect to any Member, as determined fairly, reasonably, on an informed basis and in good faith by the Managing Member: (i) (w) any breach by any Member of any provision of any non-competition agreement, (x) any material breach of this Agreement or any rules or regulations applicable to such Member that are established by the Managing Member, (y) such Member's deliberate failure to perform his or her duties to the Company, or (z) such Member's committing to or engaging in any conduct or behavior that is or may be harmful to the Company in a material way as determined by the Managing Member; provided , that in the case of any of the foregoing clauses (w), (x), (y) and (z), the Managing Member has given such Member written notice (a "Notice of Breach") within fifteen days after the Managing Member becomes aware of such action and such Member fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt of such Notice of Breach from the Managing Member (or such longer period, not to exceed an additional fifteen days, as shall be reasonably required for such cure, provided that such Member is diligently pursuing such cure); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Company; or (iii) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a regulatory body or by a self-regulatory body having authority with respect to securities laws, rules or regulations of the applicable securities industry, that such Member individually has violated any applicable securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Member's ability to function as a Member of the Company, taking into account the services required of such Member and the nature of the Company's business or (B) the business of the Company.

" Charitable Organization " means an organization described in Section 170(c) of the Code (without regard to Section 170(c)(2)(A) thereof).

" Class A Interest " has the meaning set forth in Section 5.7(a)(i)

" Class B Interest " has the meaning set forth in Section 5.7(a)(i)

" Clawback Adjustment Amount " has the meaning set forth in Section 5.7(e)(ii)(C)

" Clawback Amount " shall mean the "Clawback Amount," as set forth in Article One of the BMEZP II Partnership Agreement and any other clawback amount payable to the limited partners of BMEZP II pursuant to any BMEZP II Agreement, as applicable.

" Clawback Provisions " shall mean paragraph 9.2.8 of the BMEZP II Partnership Agreement and any other similar provisions in any other BMEZP II Agreement existing heretofore or hereafter entered into.

" Code " means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute. Any reference herein to a particular provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

" Commitment ", with respect to any Member, has the meaning set forth in such Member's Commitment Agreement or SMD Agreement.

" Commitment Agreement " means a commitment agreement by which a Member has committed to fund certain amounts with respect to the BMEZP II Investments and certain expenses of BMEZP II.

" Company " has the meaning set forth in the preamble hereto.

" Covered Person " has the meaning set forth in Section 3.5(a).

" Deceased Member " shall mean any Member or Withdrawn Member who has died or who suffers from Incompetence. For purposes hereof, references to a Deceased Member shall refer collectively to the Deceased Member and the estate and heirs or legal representative of such Deceased Member, as the case may be, that have received such Deceased Member's interest in the Company.

" Defaulting Party " has the meaning set forth in Section 5.7(d)(ii).

" Default Interest Rate " shall mean the lower of (i) the sum of (a) the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, a New York banking corporation, as its prime rate and (b) 5%, or (ii) the highest rate of interest permitted under applicable law.

" Deficiency Contribution " has the meaning set forth in Section 5.7(e)(ii)(A).

" Disposable Investment " has the meaning set forth in Section 5.7(a)(i)

" Estate Planning Vehicle " has the meaning set forth in Section 6.3.

" Excess Holdback " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Holdback Percentage " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Tax-Related Amount " has the meaning set forth in Section 5.7(e)(i).

" Excluded Item " has the meaning set forth in Section 5.1(b).

" Existing Member " shall mean any Member who is neither a Retaining Withdrawn Member nor a Deceased Member.

" Firm Collateral " shall mean a Member's or Withdrawn Member's interest in one or more partnerships or limited liability companies, in either case affiliated with the Company, and certain other assets of such Member or Withdrawn Member, in each case that has been pledged or made available to the Trustee(s) to satisfy all or any portion of the Excess Holdback of such Member or Withdrawn Member as more fully described in the books and records of the Company; provided , that for all purposes hereof (and any other agreement (e.g. , the Trust Agreement) that incorporates the meaning of the term "Firm Collateral" by reference), references to "Firm Collateral" shall include "Special Firm Collateral", excluding references to "Firm Collateral" in Section 4.1(d)(v) and Section 4.1(d)(viii)(B).

" Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(v)(B) with respect to Firm Collateral, and Section 4.1(d)(viii)(B) with respect to Special Firm Collateral.

" Fiscal Year " shall mean a calendar year, or any other period chosen by the Managing Member.

" Fund GP " means the Company and the Other Fund GPs.

" GAAP " has the meaning specified in Section 5.1(a).

" Giveback " shall mean an "Investment-Related Giveback" and an "Other Giveback", as such term is defined in the BMEZP II Partnership Agreement.

" Giveback Amount " shall mean the aggregate of the "Investment-Related Giveback Amount" and "Other Giveback Amount", as such terms are defined in the BMEZP II Partnership Agreement.

" Giveback Provisions " shall mean paragraph 3.4.3 of the BMEZP II Partnership Agreement and any other similar provisions in any other BMEZP II Agreement existing heretofore or hereafter entered into.

" Holdback " has the meaning set forth in Section 4.1(d)(i).

" Holdback Percentage " has the meaning set forth in Section 4.1(d)(i).

" Holdback Vote " has the meaning set forth in Section 4.1(d)(iv)(A).

" Holdings " has the meaning set forth in the preamble hereto.

" Incompetence " means, with respect to any Member, determination by the Managing Member in its sole discretion, after consultation with a qualified medical doctor, that such Member is incompetent to manage his person or his property.

" Inflation Index " means (i) the GNP deflator, which is the fixed-weighted price index representing the average change in the United States gross national product as published in the Survey of Current Business by the National Income and Wealth Division of the Bureau of Economic Analysis of the U.S. Department of Commerce, or (ii) such other index measuring changes in economic prices in the United States as shall be selected by the Managing Member.

" Initial Holdback Percentages " has the meaning set forth in Section 4.1(d)(i).

" Interest " means a limited liability company interest (as defined in § 18-101(8) of the LLC Act) in the Company, including those that are held by a Retaining Withdrawn Member.

" Investment " means any BMEZP II Investments.

" Investor Special Member " means any Special Member so designated by the Managing Member at the time of its admission as a Member of the Company.

" L/C " has the meaning set forth in Section 4.1(d)(vi).

" L/C Member " has the meaning set forth in Section 4.1(d)(vi).

" LLC Act " means the Delaware Limited Liability Company Act, 6 Del.C. § 18-101, et seq. , as it may be amended from time to time, and any successor to such Act.

" Loss Amount " has the meaning set forth in Section 5.7(e)(i)(A).

" Loss Investment " has the meaning set forth in Section 5.7(e).

" Losses " has the meaning set forth in Section 3.5(b).

" Majority in Interest of the Members " on any date (a " vote date ") means one or more persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date and who, as of the last day of the most recent accounting period ending on or prior to the vote date (or as of such later date on or prior to the vote date selected by the Managing Member as of which the Members' capital account balances can be determined), have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date.

" Managing Member " has the meaning specified in the preamble hereto.

" Member " means any person who is a member of the Company, including the Regular Members, the Managing Member and the Special Members. Except as otherwise specifically provided herein, no group of Members, including the Special Members and any group of Members in the same Member Category, shall have any right to vote as a class on any matter relating to the Company, including, but not limited to, any merger, reorganization, dissolution or liquidation.

" Member Category " shall mean the Managing Member, Existing Members, Retaining Withdrawn Members or Deceased Members, each referred to as a group for purposes hereof.

" Moody's " means Moody's Investors Services, Inc., or any successor thereto.

" Net Carried Interest Distribution " has the meaning set forth in Section 5.7(d)(i)(B).

" Net Carried Interest Distribution Recontribution Amount " has the meaning set forth in Section 5.7(d)(A).

" Net Income (Loss) " has the meaning set forth in 5.1(b).

" Net Recontribution Amount " has the meaning set forth in Section 5.7(d)(i)(A).

" Non-Carried Interest " means, with respect to each Investment, all amounts of distributions, other than Carried Interest, received by the Company with respect to such Investment, less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto, in each case which the Managing Member may allocate to all or any portion of the Investments as it may determine in good faith is appropriate.

" Non-Carried Interest Sharing Percentage " means, with respect to each Investment, the percentage interest of a Member in Non-Carried Interest from such Investment set forth in the books and records of the Company.

" Nonvoting Special Member " has the meaning set forth in Section 6.1(a).

" Other Fund GPs " means BMEZA II, BMEZCA II, and any other entity (other than the Company) through which any Member, Withdrawn Member or any other person directly receives any amounts of Carried Interest, and any successor thereto; provided , that this includes any other entity which has in its organizational documents a provision which indicates that it is a "Fund GP" or an "Other Fund GP"; provided further , that notwithstanding any of the foregoing, none of Holdings, any estate planning vehicle established for the benefit of family members of any Member or any member or partner of any Other Fund GP shall be considered an "Other Fund GP" for purposes hereof; provided further , that the foregoing exclusion of such estate planning vehicles shall in no way limit such Members' obligations pursuant to Section 5.7(d).

" Parallel Fund " means any additional collective investment vehicles (or other similar arrangements) formed pursuant to paragraph 2.8 of the BMEZP II Partnership Agreement.

" Profit Sharing Percentage " means the "Carried Interest Sharing Percentage" and "Non-Carried Interest Sharing Percentage" of each Member; provided , that any references in this Agreement to Profit Sharing Percentages made (a) in connection with voting or voting rights or (b) capital contributions with respect to Investments (including Section 5.3(d)) shall mean the "Non-Carried Interest Sharing Percentage" of each Member; provided further , that any reference in this Agreement to Profit Sharing Percentages that specifically refers to Net Income unrelated to BMEZP II shall continue to refer to the amount of each Member's percentage interest in a category of Net Income (Loss) established by the Managing Member from time to time pursuant to Section 5.3.

" Qualifying Fund " means any fund designated by the Managing Member as a "Qualifying Fund".

" Recontribution Amount " has the meaning set forth in Section 5.7(d)(i)(A).

" Regular Member " shall mean any Member, but excluding the Managing Member and any Special Member.

" Repurchase Period " has the meaning set forth in Section 5.7(c).

" Required Rating " has the meaning set forth in Section 4.1(d)(vi).

" Retaining Withdrawn Member " shall mean a Withdrawn Member who has retained an Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Member shall be considered a Nonvoting Special Member for all purposes hereof.

" Securities " means any debt or equity securities of an Issuer and its subsidiaries and other Controlled Entities constituting part of an Investment, including without limitation common and preferred stock and interests in limited partnerships or limited liability companies (including warrants, rights, put and call options and other options relating thereto or any combination thereof), notes, bonds, debentures, trust receipts and other obligations, instruments or evidences of indebtedness, choses in action, other property or interests commonly regarded as securities,

interests in real property, whether improved or unimproved, interests in oil and gas properties and mineral properties, short-term investments commonly regarded as money-market investments, bank deposits and interests in personal property of all kinds, whether tangible or intangible.

" Settlement Date " has the meaning set forth in Section 6.5(a).

" SMD Agreements " means the agreements between the Company and/or one or more of its affiliates and the Members, pursuant to which each Member undertakes certain obligations with respect to the Company and/or its affiliates. The SMD Agreements are hereby incorporated by reference as between the Company and the relevant Member.

" Special Firm Collateral " means interests in a Qualifying Fund or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) as more fully described in the Company's books and records.

" Special Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(viii)(B).

" Special Member " means any person shown on the books and records of the Company as a Special Member of the Company, including any Nonvoting Special Member and any Investor Special Member.

" S&P " means Standard & Poor's Ratings Group, and any successor thereto.

" Subject Investment " has the meaning set forth in Section 5.7(e)(i).

" Subject Member " has the meaning set forth in Section 4.1(d)(iv).

" Total Disability " means the inability of a Member substantially to perform the services required of a Regular Member for a period of six consecutive months by reason of physical or mental illness or incapacity and whether arising out of sickness, accident or otherwise.

" Trust Account " has the meaning set forth in the Trust Agreement.

" Trust Agreement " means the Trust Agreement, dated as of June 10, 2005, as amended to date, among the Members, the Trustee (s) and certain other persons that may receive distributions in respect of or relating to Carried Interest from time to time, as amended from time to time.

" Trust Amount " has the meaning set forth in the Trust Agreement.

" Trust Income " has the meaning set forth in the Trust Agreement.

" Trustee(s) " has the meaning set forth in the Trust Agreement.

" Unadjusted Carried Interest Distributions " has the meaning set forth in Section 5.7(d)(i)(B).

" Unallocated Percentage " has the meaning set forth in Section 5.3(b).

" Unrealized Net Income (Loss) " attributable to any BMEZP II Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such BMEZP II Investment if BMEZP II's entire portfolio of investments were sold on such date for

cash in an amount equal to their aggregate value on such date (determined in accordance with Section 5.1(e)) and all distributions payable by BMEZP II to the Company (indirectly) pursuant to the BMEZP II Partnership Agreement with respect to such BMEZP II Investment were made on such date. "Unrealized Net Income (Loss)" attributable to any other Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such Investment if such Investment were sold on such date for cash in an amount equal to its value on such date (determined in accordance with Section 5.1(e)).

" Withdraw " or " Withdrawal " with respect to a Member means a Member ceasing to be a member of the Company (except as a Retaining Withdrawn Member) for any reason (including death, disability, removal, resignation or retirement, whether such is voluntary or involuntary), unless the context shall limit the type of withdrawal to a specific reason, and "Withdrawn" with respect to a Member means, as aforesaid, a Member who has ceased to be a member of the Company.

" Withdrawal Date " has the meaning set forth in Section 6.5(a).

" Withdrawn Member " has the meaning set forth in Section 6.5(a).

1.2 Terms Generally . The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The term "person" includes individuals, partnerships (including limited liability partnerships), companies (including limited liability companies), joint ventures, corporations, trusts, governments (or agencies or political subdivisions thereof) and other associations and entities. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

GENERAL PROVISIONS

2.1 Managing, Regular and Special Members . The Members may be Managing Members, Regular Members or Special Members (including Nonvoting Special Members and Investor Special Members). The Managing Member as of the date hereof is Holdings. The Regular Members as of the date hereof are those persons shown as Regular Members on the signature pages hereof, and the Special Members as of the date hereof are persons shown as Special Members on the signature pages hereof.

2.2 Formation; Name; Foreign Jurisdictions . The Company was formed and is hereby continued as a limited liability company pursuant to the LLC Act and shall continue to conduct its activities under the name of Blackstone Mezzanine Management Associates II L.L.C. The certificate of formation of the Company may be amended and/or restated from time to time by a Managing Member, as an "authorized person" (within the meaning of the LLC Act). The Managing Member is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

2.3 Term . The term of the Company shall continue until December 31, 2054, unless earlier dissolved and its affairs wound up in accordance with this Agreement.

2.4 Purpose; Powers . (a) The purpose of the Company shall be, directly or indirectly through subsidiaries or affiliates, (i) to serve as a general partner of BMEZA II, BMEZCA II, B MM CCP II and BFMEZP II and perform the functions of the general partner specified in the BMEZA II Partnership Agreement, of a general partner specified in the BMEZCA II Partnership Agreement, of the general partner specified in the B MM CCP II Partnership Agreement and of the general partner specified in the BFMEZP II Partnership Agreement (ii) to serve as a general partner or limited partner of other partnerships and perform the functions of a general partner or limited partner, as the case may be, specified in the partnership agreement of each such other partnership, (iii) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the Managing Member and as are permitted under the LLC Act and the BMEZA II Partnership Agreement, the BMEZCA II Partnership Agreement, the B MM CCP II Partnership Agreement, the BFMEZP II Partnership Agreement and any other partnership agreement referred to in clause (iv) any other lawful purpose, and (v) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purpose, the Company shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, as principal or agent, including the following:

(i) to buy, sell and otherwise acquire investments, whether such investments are readily marketable or not;

(ii) to invest and reinvest the cash assets of the Company in money-market or other short-term investments;

(iii) to hold, receive, mortgage, pledge, lease, transfer, exchange or otherwise dispose of, grant options with respect to, and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to, all property held or owned by the Company;

(iv) to borrow or raise money from time to time and to issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and non-negotiable instruments and evidences of indebtedness, to secure payment of the principal of any such indebtedness and the interest thereon by mortgage, pledge, conveyance or assignment in trust of, or the granting of a security interest in, the whole or any part of the property of the Company, whether at the time owned or thereafter acquired, to guarantee the obligations of others and to buy, sell, pledge or otherwise dispose of any such instrument or evidence of indebtedness;

(v) to lend any of its property or funds, either with or without security, at any legal rate of interest or without interest;

(vi) to have and maintain one or more offices within or without the State of Delaware, and in connection therewith, to rent or acquire office space, engage personnel and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(vii) to open, maintain and close accounts, including margin accounts, with brokers;

(viii) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys;

(ix) to engage accountants, auditors, custodians, investment advisers, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate any of them as may be necessary or advisable;

(x) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, to form or cause to be formed and to participate in partnerships and joint ventures, whether foreign or domestic and to form or cause to be formed and be a member or manager or both of one or more limited liability companies;

(xi) to enter into, make and perform all contracts, agreements and other undertakings as may be necessary, convenient, advisable or incident to carrying out its purposes;

(xii) to sue and be sued, to prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment to claims against the Company, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xiii) to distribute, subject to the terms of this Agreement, at any time and from time to time to the Members cash or investments or other property of the Company, or any combination thereof; and

(xiv) to take such other actions necessary, desirable, convenient or incidental thereto and to engage in such other businesses as may be permitted under Delaware law.

2.5 Place of Business . The Company shall maintain an office and principal place of business at 345 Park Avenue, New York, New York 10154 or such other place or places as the Managing Member may designate from time to time. The Company shall maintain a registered office at The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The name and address of the Company's registered agent is The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The Managing Member may from time to time change the registered agent or office by an amendment to the certificate of formation of the Company.

ARTICLE III

MANAGEMENT

3.1 Managing Member . (a) Holdings shall be an original managing member (the " Managing Member "). The Managing Member shall cease to be the Managing Member only if it (i) Withdraws from the Company for any reason, (ii) consents in its sole discretion to resign as the Managing Member, or (iii) becomes the subject of a Final Event. The Managing Member may not be removed without its consent. There may be one or more Managing Members. In the event that one or more other Managing Members is admitted to the Company as such, all references herein to the "Managing Member" in the singular form shall be deemed to also refer to such other Managing Members as may be appropriate. The relative rights and responsibilities of such Managing Members will be as agreed upon from time to time between them.

(b) Upon the Withdrawal from the Company or voluntary resignation of the last remaining Managing Member, all of the powers formerly vested therein pursuant to this Agreement and the LLC Act shall be exercised by a Majority in Interest of the Members.

3.2 Member Voting, etc . (a) Meetings of the Members may be called only by the Managing Member.

(b) Except as otherwise expressly provided herein and except as may be expressly required by the LLC Act, Special Members as such shall have no right to, and shall not, take part in the management or control of the Company's business or act for or bind the Company, and shall have only the rights and powers granted to Special Members herein.

(c) To the extent any Member is entitled to vote with respect to any matter relating to the Company, such Member shall not be obligated to abstain from voting on any such matter (or vote in any particular manner) because of any interest (or conflict of interest) of such Member (or any affiliate thereof) in such matter.

3.3 Management; Authorization . (a) The management, control and operation of the Company and the formulation and execution of business and investment policy shall be vested in the Managing Member. The Managing Member shall, in its discretion, exercise all powers necessary and convenient for the purposes of the Company, including those enumerated in Section 2.4, on behalf and in the name of the Company. All decisions and determinations (howsoever described herein) to be made by the Managing Member pursuant to this Agreement shall be made in its sole discretion, subject only to the express terms and conditions of this Agreement (including Section 7.4).

(b) Each of the Managing Member and any person designated by the Managing Member, each acting individually, is hereby authorized and empowered, as an authorized person of the Company within the meaning of the LLC Act, or otherwise (the Members and Managing Member hereby authorizing and ratifying any of the following actions):

(i) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company and/or in the name and on behalf of the Company as general partner of each Blackstone Partnership) any agreement of the Company (including, without limitation, any Blackstone Partnership Agreement) or of any Blackstone Partnership (and any amendments, restatements and/or supplements thereof), the certificate of formation of the Company (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of each Blackstone Partnership (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Company or any Blackstone Partnership to qualify to do business in a jurisdiction in which the Company or such Blackstone Partnership desires to do business;

(ii) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as general partner of BMEZA II in its capacity as general partner of BMEZP II) any agreement of BMEZA II (including, without limitation, the BMEZP II Partnership Agreement) or of BMEZP II (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of BMEZP II (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for BMEZP II to qualify to do business in a jurisdiction in which BMEZP II desires to do business;

(iii) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as general partner of BMEZA II in its capacity as general partner of each Blackstone Entity, or otherwise) any agreement of BMEZA II (including, without limitation, each Blackstone Entity Agreement) or of any Blackstone Entity (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of each Blackstone Entity (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for any Blackstone Entity to qualify to do business in a jurisdiction in which such Blackstone Entity desires to do business;

(iv) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action in the name and on behalf of the Company and/or in the name and on behalf of the Company as general partner of each Blackstone Partnership) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of the Company's or such Blackstone Partnership's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of the Company and/or such Blackstone Partnership, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of the Company or such Blackstone Partnership, and all checks, notes, drafts and other documents of the Company or such Blackstone Partnership that may be required in connection with any such bank account or any banking facilities or services that may be utilized by the Company or such Blackstone Partnership, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and Managing Member, the Company and any Blackstone Partnership, as applicable, for all purposes), and (E) any amendments, restatements and/or supplements of any of the foregoing;

(v) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as general partner of BMEZA II in its capacity as general partner of BMEZP II) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of BMEZA II's or BMEZP II's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of BMEZA II and/or BMEZP II, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of BMEZA II and/or BMEZP II, and all checks, notes, drafts and other documents of BMEZA II and/or BMEZP II that may be required in connection with any such bank account or any banking facilities or services that may be utilized by BMEZA II and/or BMEZP II, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and Managing Member, the Company, BMEZA II or BMEZP II, as applicable, for all purposes), and (E) any amendments, restatements and/or supplements of any of the foregoing; and

(vi) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as general partner of BMEZA II in its capacity as general partner of each Blackstone Entity) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of any Blackstone Entity's purposes, (B) any certificates,

forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of any Blackstone Entity, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of any Blackstone Entity, and all checks, notes, drafts and other documents of any Blackstone Entity that may be required in connection with any such bank account or any banking facilities or services that may be utilized by any Blackstone Entity, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and Managing Member, the Company or any Blackstone Entity, as applicable, for all purposes, and (E) any amendments, restatements and/or supplements of any of the foregoing.

The authority granted to any person (other than the Managing Member) in this Section 3.3(b) may be revoked at any time by the Managing Member by an instrument in writing signed by the Managing Member.

As used in this Section 3.3, the following terms have the following meanings: " Blackstone Entities " means, collectively, Blackstone Mezzanine Capital Commitment Partners II L.P., BMEZH II and any other limited partnership of which BMEZA II is the general partner. " Blackstone Entity Agreements " means, collectively, the limited partnership agreements, as amended, restated and/or supplemented, of the Blackstone Entities. " Blackstone Partnerships " means, collectively, BMEZA II, BMEZCA II, B MM CCP II, BFMEZP II and any other limited partnership of which the Company is the general partner, " Blackstone Partnership Agreements " means, collectively, the limited partnership agreements, as amended, restated and/or supplemented, of the Blackstone Partnerships.

(c) Notwithstanding any provision in this Agreement to the contrary, the Company is hereby authorized, without the need for any further act, vote or consent of any Member,

(i) to execute and deliver, and to perform the Company's obligations under, each Blackstone Partnership Agreement, including without limitation, serving as a general partner of each Blackstone Partnership,

(ii) to execute and deliver, as general partner of BMEZA II, the BMEZP II Partnership Agreement, and to perform the Company's obligations, and to cause BMEZA II to perform its obligations, under the BMEZP II Partnership Agreement, including, without limitation, serving as general partner of BMEZA II, and causing BMEZA II to serve as general partner of BMEZP II,

(iii) to execute and deliver, as general partner of each Blackstone Partnership, the Blackstone Partnership Agreement of each Blackstone Partnership, and to perform the Company's obligations, and to cause each Blackstone Partnership to perform its obligations, under each Blackstone Partnership Agreement, including, without limitation, serving as general partner of each Blackstone Partnership, and causing each Blackstone Partnership to serve as general or limited partner of each limited partnership of which it is a general or limited partner, as applicable,

(iv) to execute and deliver, as general partner of BMEZA II, in its capacity as general partner of each of the Blackstone Entities, the Blackstone Entity Agreement of each Blackstone Entity, and to perform the Company's obligations, and to cause BMEZA II and each Blackstone Entity to perform their obligations, under each Blackstone Entity Agreement, including, without limitation, serving as general partner of BMEZA II, causing BMEZA II to serve as general

partner of each Blackstone Entity, and causing each Blackstone Entity to serve as general or limited partner of each limited partnership of which it is a general or limited partner, as applicable, and (v) to take any action, in the applicable capacity, contemplated by or arising out of any Blackstone Partnership Agreement, the BMEZP II Partnership Agreement or any Blackstone Entity Agreement.

3.4 Responsibilities of Members . (a) Unless otherwise determined by the Managing Member in a particular case, each Regular Member shall devote substantially all his time and attention to the businesses of the Company and its affiliates, and each Special Member shall not be required to devote any time or attention to the businesses of the Company or its affiliates.

(b) All outside business or investment activities of the Members shall be subject to such rules and regulations as are established by the Managing Member from time to time.

(c) The Managing Member may from time to time establish such other rules and regulations applicable to Members or other employees as the Managing Member deems appropriate, including rules governing the authority of Members or other employees to bind the Company to financial commitments or other obligations.

3.5 Exculpation and Indemnification . (a) Liability to Members . Notwithstanding any other provision of this Agreement, whether express or implied, to the fullest extent permitted by law, no Member nor any of such Member's representatives, agents or advisors nor any partner, member, officer, employee, representative, agent or advisor of the Company or any of its affiliates (individually, a " Covered Person " and collectively, the " Covered Persons ") shall be liable to the Company or any other Member for any act or omission (in relation to the Company, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) taken or omitted by a Covered Person (other than any act or omission constituting Cause), unless there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful. Each Covered Person shall be entitled to rely in good faith on the advice of legal counsel to the Company, accountants and other experts or professional advisors, and no action taken by any Covered Person in reliance on such advice shall in any event subject such person to any liability to any Member or the Company. To the extent that, at law or in equity, a Member has duties (including fiduciary duties) and liabilities relating thereto to the Company or to another Member, to the fullest extent permitted by law, such Member acting under this Agreement shall not be liable to the Company or to any such other Member for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of a Member otherwise existing at law or in equity, are agreed by the Members, to the fullest extent permitted by law, to modify to that extent such other duties and liabilities of such Member.

(b) Indemnification . To the fullest extent permitted by law, the Company shall indemnify and hold harmless (but only to the extent of the Company's assets (including, without limitation, the remaining Commitments of the Members) each Covered Person from and against any and all claims, damages, losses, costs, expenses and liabilities (including, without limitation, amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim), joint and several, of any nature whatsoever, known or unknown, liquidated or unliquidated (collectively, " Losses "), arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Covered Person may be involved, or threatened to be

involved, as a party or otherwise, by reason of such Covered Person's management of the affairs of the Company or which relate to or arise out of or in connection with the Company, its property, its business or affairs (other than claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, arising out of any act or omission of such Covered Person constituting Cause); provided , that a Covered Person shall not be entitled to indemnification under this Section with respect to any claim, issue or matter if there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interest of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful; provided further , that if such Covered Person is a Member or a Withdrawn Member, such Covered Person shall bear its share of such Losses in accordance with such Covered Person's Profit Sharing Percentage in the Company as of the time of the actions or omissions that gave rise to such Losses. To the fullest extent permitted by law, expenses (including legal fees) incurred by a Covered Person (including, without limitation, the Managing Member) in defending any claim, demand, action, suit or proceeding may, with the approval of the Managing Member, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of a written undertaking by or on behalf of the Covered Person to repay such amount to the extent that it shall be subsequently determined that the Covered Person is not entitled to be indemnified as authorized in this Section, and the Company and its affiliates shall have a continuing right of offset against such Covered Person's interests/investments in the Company and such affiliates and shall have the right to withhold amounts otherwise distributable to such Covered Person to satisfy such repayment obligation. If a Member institutes litigation against a Covered Person which gives rise to an indemnity obligation hereunder, such Member shall be responsible, up to the amount of such Member's Interests and remaining Commitment, for such Member's pro rata share of the Company's expenses related to such indemnity obligation, as determined by the Managing Member. The Company may purchase insurance, to the extent available at reasonable cost, to cover losses, claims, damages or liabilities covered by the foregoing indemnification provisions. Members will not be personally obligated with respect to indemnification pursuant to this Section.

3.6 Tax Representation . Each Regular and Special Member certifies that (A) if the Member is a United States person (as defined in the Code) (x) (i) the Member's name, social security number (or, if applicable, employer identification number) and address provided to the Company and its affiliates pursuant to an IRS Form W-9, Payer's Request for Taxpayer Identification Number Certification (" W-9 ") or otherwise are correct and (ii) the Member will complete and return a W-9, and (y) (i) the Member is a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of a change to foreign (non-United States) status or (B) if the Member is not a United States person (as defined in the Code) (x) (i) the information on the completed IRS Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding (" W-8BEN ") or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Partnership, or Certain U.S. Branches for United States Tax Withholding (" W-8IMY "), or otherwise is correct and (ii) the Member will complete and return the applicable IRS form, including but not limited to a W-8BEN or W-8IMY, and (y) (i) the Member is not a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of any change of such status. The Member agrees to properly execute and provide to the Company in a timely manner any tax documentation that may be reasonably required by the Managing Member.

ARTICLE IV

CAPITAL OF THE COMPANY

4.1 Capital Contributions by Members . (a) Except as agreed by the Managing Member and a Regular Member, such Regular Member shall not be required to make capital contributions equal to the Required Amounts as determined by the Managing Member from time to time; provided , that (i) such additional capital contributions may be made *pro rata* among the Regular Members based upon the allocation of the Carried Interest in each BMEZP II Investment by the Managing Member and (ii) additional capital contributions in excess of the Required Amounts which are to be used for ongoing business operations (as distinct from financing, legal or other specific liabilities of the Company (including those specifically set forth in Sections 4.1(d) and 5.8(d)) shall be determined by the Managing Member. Special Members (other than Special Members or any affiliates thereof) shall not be required to make additional capital contributions to the Company except (i) as a condition of an increase in such Special Member's Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided , that the Managing Member and any Special Member shall agree from time to time that such Special Member shall make an additional capital contribution to the Company; provided further , that each Investor Special Member shall maintain its capital account at a level equal to the product of (i) its Profit Sharing Percentage from time to time and (ii) the total capital of the Company.

(b) Each capital contribution by a Member shall be credited to the appropriate capital account of such Member in accordance with Section 5.2.

(c) The Managing Member may elect on a case by case basis to (i) cause the Company to loan any Member (including any additional Member admitted to the Company pursuant to Section 6.1) the amount of any capital contribution required to be made by such Member or (ii) permit any Member (including any additional Member admitted to the Company pursuant to Section 6.1) to make a required capital contribution to the Company in installments in kind, in each case on terms (including valuation of contributed property in the case of in kind contributions permitted by the Managing Member) determined by the Managing Member.

(d) (i) The Members and the Withdrawn Members have entered into the Trust Agreement, pursuant to which certain amounts of the distributions relating to the Carried Interest will be paid to the Trustee(s) for deposit in the Trust Account (such amounts to be paid to the Trustee(s) for deposit in the Trust Account constituting a " Holdback "). The Managing Member shall determine, as set forth below, the percentage of each distribution of Carried Interest that shall be withheld for each Member Category (such withheld percentage constituting such Member Category's " Holdback Percentage "). The applicable Holdback Percentages initially shall be 0% for the Managing Member, 15% for Existing Members (other than the Managing Member), 21% for Retaining Withdrawn Members and 24% for Deceased Members (the " Initial Holdback Percentages ").

(ii) The Holdback Percentage shall not be reduced for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member shall only reduce the Holdback Percentages among the Member Categories on a proportionate basis. For example, if the Holdback Percentage for Existing Members is decreased to 12.5%, the Holdback Percentage for Retaining Withdrawn Members and Deceased Members shall be reduced to 17.5% and 20%, respectively. Any reduction in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such reduction.

(iii) The Holdback Percentage may not be increased for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may not increase the Retaining Withdrawn Members' Holdback Percentage beyond 21% unless the Managing Member concurrently increases the Existing Members' Holdback Percentage to the Holdback Percentage of the Retaining Withdrawn Members. The Managing Member may not increase the Deceased Members' Holdback Percentage beyond 24% unless the Managing Member increases the Holdback Percentage for both Existing Members and Retaining Withdrawn Members to 24%. The Managing Member may not increase the Holdback Percentage of any Member Category beyond 24% unless such increase applies equally to all Member Categories. Any increase in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such increase. The foregoing shall in no way prevent the Managing Member from proportionately increasing the Holdback Percentage of any Member Category (following a reduction of the Holdback Percentages below the Initial Holdback Percentages), if the resulting Holdback Percentages are consistent with the above. For example, if the Managing Member reduces the Holdback Percentages for Existing Members, Retaining Withdrawn Members and Deceased Members to 12.5%, 17.5% and 20%, respectively, the Managing Member may have the right to subsequently increase the Holdback Percentages to the Initial Holdback Percentages.

(iv) (A) Notwithstanding anything contained herein to the contrary, the Company may increase or decrease the Holdback Percentage for any Member in any Member Category (in such capacity, the " Subject Member ") pursuant to a majority vote of the Regular Members (a " Holdback Vote "); provided , that a Subject Member's Holdback Percentage may not be (I) increased prior to such time as such Subject Member (x) is notified by the Company of the decision to increase such Subject Member's Holdback Percentage and (y) has, if requested by such Subject Member, been given 30 days to gather and provide information to the Company for consideration before a second Holdback Vote (requested by the Subject Member) or (II) decreased unless such decrease occurs subsequent to an increase in a Subject Member's Holdback Percentage pursuant to a Holdback Vote under this clause (iv); provided further , that such decrease shall not exceed an amount such that such Subject Member's Holdback Percentage is less than the prevailing Holdback Percentage for the Member Category of such Subject Member; provided further , that a Member shall not vote to increase a Subject Member's Holdback Percentage unless such voting Member determines, in his good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Member, or any of his successors or assigns (including his estate or heirs) who at the time of such vote holds the Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Company meeting. Each Regular Member may be entitled to cast one vote with respect to the Holdback Vote regardless of such Regular Member's interest in the Company. Such vote may be cast by any Regular Member in person or by proxy.

(C) If the result of the second Holdback Vote is an increase in a Subject Member's Holdback Percentage, such Subject Member may submit the decision to an arbitrator, the identity of which is mutually agreed upon by both the Subject Member and the Company; provided , that if the Company and the Subject Member cannot agree upon a mutually satisfactory arbitrator within 10 days of the second Holdback Vote, each of the Company and the Subject Member shall request their candidate for arbitrator to select a third arbitrator satisfactory to such candidates; provided further , that if such candidates fail to agree upon a mutually satisfactory arbitrator within 30 days of such request, the then sitting President of the American Arbitration Association

shall unilaterally select the arbitrator. Each Subject Member that submits the decision of the Company pursuant to the second Holdback Vote to arbitration and the Company shall estimate their reasonably projected out-of-pocket expenses relating thereto, and each such party shall, to the satisfaction of the arbitrator and prior to any determination being made by the arbitrator, pay the total of such estimated expenses (i.e., both the Subject Member's and the Company's expenses) into an escrow account to be controlled by Simpson Thacher & Bartlett LLP, as escrow agent (or such other comparable law firm as the Company and the Subject Member shall agree). The arbitrator shall direct the escrow agent to pay out of such escrow account all expenses associated with such arbitration (including costs leading thereto) and to return to the "victorious" party the entire amount of funds such party paid into such escrow account. If the amount contributed to the escrow account by the losing party is insufficient to cover the expenses of such arbitration, such "losing" party shall then provide any additional funds necessary to cover such costs to such "victorious" party. For purposes hereof, the "victorious" party shall be the Company if the Holdback Percentage ultimately determined by the arbitrator is closer to the percentage determined in the second Holdback Vote than it is to the prevailing Holdback Percentage for the Subject Member's Member Category; otherwise, the Subject Member shall be the "victorious" party. The party that is not the "victorious" party shall be the "losing" party.

(D) In the event of a decrease in a Subject Member's Holdback Percentage (1) pursuant to a Holdback Vote under this clause (iv) or (2) pursuant to a decision of an arbitrator under paragraph (C) of this clause (iv), the Company shall release and distribute to such Subject Member any Trust Amounts (and the Trust Income thereon (except as expressly provided herein with respect to using Trust Income as Firm Collateral)) which exceed the required Holdback of such Subject Member (in accordance with such Subject Member's reduced Holdback Percentage) as though such reduced Holdback Percentage had applied since the increase of the Subject Member's Holdback Percentage pursuant to a previous Holdback Vote under this clause (iv).

(v) (A) If a Member's Holdback Percentage exceeds 15% (such percentage in excess of 15% constituting the " Excess Holdback Percentage "), such Member may satisfy the portion of his Holdback obligation in respect of his Excess Holdback Percentage (such portion constituting such Member's " Excess Holdback "), and such Member (or a Withdrawn Member with respect to amounts contributed to the Trust Account while he was a Member), to the extent his Excess Holdback obligation has previously been satisfied in cash, may obtain the release of the Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) satisfying such Member's or Withdrawn Member's Excess Holdback obligation, by pledging or otherwise making available to the Company, on a first priority basis (except as provided below), all or any portion of his Firm Collateral in satisfaction of his Excess Holdback obligation. Any Member seeking to satisfy all or any portion of the Excess Holdback utilizing Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Company to realize on (if required), such Firm Collateral; provided , that, in the case of entities listed in the Company's books and records, in which Members are permitted to pledge their interests therein to finance all or a portion of their capital contributions thereto (" Pledgable Blackstone Interests "), to the extent a first priority security interest is unavailable because of an existing lien on such Firm Collateral, the Member or Withdrawn Member seeking to utilize such Firm Collateral shall grant the Company a second priority security interest therein in the manner provided above; provided further , that (x) in the case of Pledgable Blackstone Interests, to the extent that neither a first priority nor a second priority security interest is available, or (y) if the Managing Member otherwise determines in its good faith judgment that a security interest in Firm Collateral (and the corresponding documents and actions) are not necessary or appropriate,

the Member or Withdrawn Member shall (in the case of either clause (x) or (y) above) irrevocably instruct in writing the relevant partnership, limited liability company or other entity listed in the Company's books and records to remit any and all net proceeds resulting from a Firm Collateral Realization on such Firm Collateral to the Trustee(s) as more fully provided in clause (B) below. The Company shall, at the request of any Member or Withdrawn Member, assist such Member or Withdrawn Member in taking such action necessary to enable such Member or Withdrawn Member to use Firm Collateral as provided hereunder.

(B) If upon a sale or other realization of all or any portion of any Firm Collateral (a " Firm Collateral Realization "), the remaining Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement, then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Firm Collateral Realization (including distributions subject to the repayment of financing sources as in the case of Pledgable Blackstone Interests) shall be paid into the Trust Account to fully satisfy such Excess Holdback requirement (allocated to such Member or Withdrawn Member) and shall be deemed to be Trust Amounts for purposes hereunder. Any net proceeds from such Firm Collateral Realization in excess of the amount necessary to satisfy such Excess Holdback requirement shall be distributed to such Member or Withdrawn Member.

(C) Upon any valuation or revaluation of Firm Collateral that results in a decreased valuation of such Firm Collateral so that such Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement (including upon a Firm Collateral Realization, if net proceeds therefrom and the remaining Firm Collateral are insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement), the Company shall provide notice of the foregoing to such Member or Withdrawn Member and such Member or Withdrawn Member shall, within 30 days of receiving such notice, contribute cash (or additional Firm Collateral) to the Trust Account in an amount necessary to satisfy his Excess Holdback requirement. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.7(d)(ii) shall apply thereto; provided , that clause (A) of the first sentence of Section 5.7(d)(ii) shall be deemed inapplicable to a default under this clause (C); provided further , that for purposes of applying Section 5.7(d)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.7(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.7(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(vi) Any Member or Withdrawn Member shall (A) obtain the release of any Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) or Firm Collateral, in each case, held in the Trust Account for the benefit of such Member or Withdrawn Member or (B) require the Company to distribute all or any portion of amounts otherwise required to be placed in the Trust Account (whether cash or Firm Collateral), by obtaining a letter of credit (an " L/C ") for the benefit of the Trustee(s) in such amounts. Any Member or Withdrawn Member choosing to furnish an L/C to the Trustee(s) (in such capacity, an " L/C Member ") shall deliver to the Trustee(s) an unconditional and irrevocable L/C from a commercial bank whose (x) short-term deposits are rated at least A-1 by S&P and P-1 by Moody's (if the L/C is for a term of 1 year or less), or (y) long-term deposits are rated at least A+ by S&P or A1 by Moody's (if the L/C is for a term of 1 year or more) (each a " Required Rating "). If the relevant rating of the commercial bank issuing such L/C drops below the relevant Required Rating, the L/C Member shall supply to the Trustee(s), within 30 days of such occurrence, a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, in lieu of the insufficient L/C. In addition,

if the L/C has a term expiring on a date earlier than the latest possible termination date of BMEZP II, the Trustee(s) shall be permitted to drawdown on such L/C if the L/C Member fails to provide a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, at least 30 days prior to the stated expiration date of such existing L/C. The Trustee(s) may notify an L/C Member 10 days prior to drawing on any L/C. The Trustee(s) may (as directed by the Company in the case of clause (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Member's obligation relating to the Company's obligations under the Clawback Provisions or (II) an L/C Member has not provided a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating (or the requisite amount of cash and/or Firm Collateral (to the extent permitted hereunder)), at least 30 days prior to the stated expiration of an existing L/C in accordance with this clause (vi). The Trustee(s), as directed by the Company, shall return to any L/C Member his L/C upon (1) the termination of the Trust Account and satisfaction of the Company's obligations, if any, in respect of the Clawback Provisions, (2) an L/C Member satisfying his entire Holdback obligation in cash and Firm Collateral (to the extent permitted hereunder), or (3) the release, by the Trustee(s), as directed by the Company, of all amounts in the Trust Account to the Members or Withdrawn Members. If an L/C Member satisfies a portion of his Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the Company, release a portion of the amounts in the Trust Account to the Members or Withdrawn Members in the Member Category of such L/C Member, the L/C of an L/C Member may be reduced by an amount corresponding to such portion satisfied in cash and/or Firm Collateral (to the extent permitted hereunder) or such portion released by the Trustee(s), as directed by the Company; provided , that in no way shall the general release of any Trust Income cause an L/C Member to be permitted to reduce the amount of an L/C by any amount.

(vii) (A) Any in-kind distributions by the Company relating to Carried Interest shall be made in accordance herewith as though such distributions consisted of cash. The Company may direct the Trustee(s) to dispose of any in-kind distributions held in the Trust Account at any time. The net proceeds therefrom shall be treated as though initially contributed to the Trust Account.

(B) In lieu of the foregoing, any Existing Member may pledge with respect to any in-kind distribution the Special Firm Collateral referred to in asset category 6 in the Company's books and records; provided , that the initial contribution of such Special Firm Collateral shall initially equal 130% of the required Holdback Amount for a period of 90 days, and thereafter shall equal at least 115% of the required Holdback Amount. Paragraphs 4.1(d)(viii)(C) and (D) shall apply to such Special Firm Collateral. To the extent such Special Firm Collateral exceeds the applicable minimum percentage of the required Holdback Amount specified in the first sentence of this clause (vii)(B), the related Member may obtain a release of such excess amount from the Trust Account.

(viii) (A) Any Regular Member or Withdrawn Member may satisfy all or any portion of his Holdback (excluding any Excess Holdback), and such Member or a Withdrawn Member may, to the extent his Holdback (excluding any Excess Holdback) has been previously been satisfied in cash or by the use of an L/C as provided herein, obtain a release of Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) that satisfy such Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) by pledging to the Trustee(s) on a first priority basis all of his Special Firm Collateral in a particular Qualifying Fund, which at all times must equal or exceed the amount of the Holdback distributed to the Member or Withdrawn Member (as more fully set forth below). Any Member seeking to satisfy such Member's Holdback utilizing Special Firm

Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Trustee(s) to realize on (if required), such Special Firm Collateral.

(B) If upon a distribution, withdrawal, sale, liquidation or other realization of all or any portion of any Special Firm Collateral (a " Special Firm Collateral Realization "), the remaining Special Firm Collateral (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) is insufficient to cover any Member's or Withdrawn Member's Holdback (when taken together with other means of satisfying the Holdback as provided herein (i.e., cash contributed to the Trust Account or an L/C in the Trust Account)), then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Special Firm Collateral Realization (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund or other asset and is being used in connection with an Excess Holdback) shall be paid into the Trust (and allocated to such Member or Withdrawn Member) to fully satisfy such Holdback and shall be deemed thereafter to be Trust Amounts for purposes hereunder. Any net proceeds from such Special Firm Collateral Realization in excess of the amount necessary to satisfy such Holdback (excluding any Excess Holdback) shall be distributed to such Member or Withdrawn Member. To the extent a Qualifying Fund distributes Securities to a Member or Withdrawn Member in connection with a Special Firm Collateral Realization, such Member or Withdrawn Member may be required to promptly fund such Member's or Withdrawn Member's deficiency with respect to his Holdback in cash or an L/C.

(C) Upon any valuation or revaluation of the Special Firm Collateral and/or any adjustment in the Applicable Collateral Percentage applicable to a Qualifying Fund (as provided in the Company's books and records), if such Member's or Withdrawn Member's Special Firm Collateral is valued at less than such Member's Holdback (excluding any Excess Holdback) as provided in the Company's books and records, taking into account other permitted means of satisfying the Holdback hereunder, the Company may provide notice of the foregoing to such Member or Withdrawn Member and, within 10 business days of receiving such notice, such Member or Withdrawn Member shall contribute cash or additional Special Firm Collateral to the Trust Account in an amount necessary to make up such deficiency. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.7(d)(ii) shall apply thereto; provided , that the first sentence of Section 5.7(d)(ii) shall be deemed inapplicable to such default; provided further , that for purposes of applying Section 5.7(d)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.7(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.7(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(D) Upon a Member becoming a Withdrawn Member, at any time thereafter the Managing Member may revoke the ability of such Withdrawn Member to use Special Firm Collateral as set forth in this Section 4.1(d)(viii), notwithstanding anything else in this Section 4.1(d)(viii). In that case the provisions of clause (C) above shall apply to the Withdrawn Member's obligation to satisfy the Holdback (except that 30 days' notice of such revocation shall be given), given that the Special Firm Collateral is no longer available to satisfy any portion of the Holdback (excluding any Excess Holdback).

(E) Nothing in this Section 4.1(d)(viii) shall prevent any Member or Withdrawn Member from using any amount of such Member's interest in a Qualifying Fund as Firm Collateral; provided that at all times Section 4.1(d)(v) and this Section 4.1(d)(viii) are each satisfied.

4.2 Interest . Interest on the balances of the Members' capital (excluding capital invested in Investments and, if deemed appropriate by the Managing Member, capital invested in any other investment of the Company) shall be credited to the Members' capital accounts at the end of each accounting period pursuant to Section 5.2, or at any other time as determined by the Managing Member, at rates determined by the Managing Member from time to time, and shall be charged as an expense of the Company.

4.3 Withdrawals of Capital . The Members may not withdraw capital from the Company except (i) for distributions of cash or other property pursuant to Section 5.7, (ii) as otherwise expressly provided in this Agreement or (iii) as determined by the Managing Member.

ARTICLE V

PARTICIPATION IN PROFITS AND LOSSES

5.1 General Accounting Matters . (a) Net Income (Loss) shall be determined by the Managing Member at the end of each accounting period and shall be allocated as described in Section 5.

(b) " Net Income (Loss) " from any activity of the Company for any accounting period (other than Net Income (Loss) from Investments described below) means (i) the gross income realized by the Company from such activity during such accounting period less (ii) all expenses of the Company, and all other items that are deductible from gross income, for such accounting period that are allocable to such activity (determined as provided below). " Net Income (Loss) " from any Investment for any accounting period in which such Investment has not been sold or otherwise disposed of means (i) the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) all expenses of the Company for such accounting period that are allocable to such Investment (determined as provided below). " Net Income (Loss) " from any Investment for the accounting period in which such Investment is sold or otherwise disposed of means (i) the sum of the gross proceeds from the sale or other disposition of such Investment and the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) the sum of the cost or other basis to the Company of such Investment and all expenses of the Company for such accounting period that are allocable to such Investment. Net Income (Loss) shall be determined in accordance with the accounting method used by the Company for U.S. federal income tax purposes with the following adjustments: (i) any income of the Company that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Net Income (Loss) shall be added to such taxable income or loss; (ii) if any asset has a value on the books of the Company that differs from its adjusted tax basis for U.S. federal income tax purposes, any depreciation, amortization or gain resulting from a disposition of such asset shall be calculated with reference to such value; (iii) upon an adjustment to the value of any asset on the books of the Company pursuant to Regulation Section 1.704-1(b)(2), the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (iv) any expenditures of the Company not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Net Income (Loss) pursuant to this definition shall be treated as deductible items; (v) any income from an Investment that is payable to Company employees in respect of "phantom interests" in such Investment awarded by the Managing Member to employees shall be included as an expense in the calculation of Net Income (Loss) from such Investment, and (vi) items of income and expense (including interest income and overhead and other indirect expenses) of the Company, Holdings and other affiliates

of the Company shall be allocated among the Company, Holdings and such affiliates, among various Company activities and Investments and between accounting periods, in each case as determined by the Managing Member. Any adjustments to Net Income (Loss) as it deems appropriate from time to time, including adjustments for items of income accrued but not yet received, unrealized gains, items of expense accrued but not yet paid, unrealized losses, reserves (including reserves for taxes, bad debts, actual or threatened litigation, or any other expenses, contingencies or obligations) and other appropriate items shall be made in accordance with U.S. generally accepted accounting principles ("GAAP"); provided , that the Managing Member shall not be required to make any such adjustment.

(c) An accounting period shall be a Fiscal Year, except that, at the option of the Managing Member, an accounting period will terminate and a new accounting period will begin on the admission date of an additional Member or the Settlement Date of a Withdrawn Member, if any such date is not the first day of a Fiscal Year. If any event referred to in the preceding sentence occurs and the Managing Member does not elect to terminate an accounting period and begin a new accounting period, then the Managing Member may make such adjustments as it deems appropriate to the Members' Profit Sharing Percentages for the accounting period in which such event occurs (prior to any allocations of Unallocated Percentages or adjustments to Profit Sharing Percentages pursuant to Section 5.3) to reflect the Members' average Profit Sharing Percentages during such accounting period; provided , that the Profit Sharing Percentages of Members in Net Income (Loss) from Investments acquired during such accounting period will be based on Profit Sharing Percentages in effect when each such Investment was acquired.

(d) In establishing Profit Sharing Percentages and allocating Unallocated Percentages pursuant to Section 5.3, the Managing Member may consider such factors as it deems appropriate.

(e) All determinations, valuations and other matters of judgment required to be made for accounting purposes under this Agreement shall be made by the Managing Member and approved by the Company's independent accountants. Such approved determinations, valuations and other accounting matters shall be conclusive and binding on all Members , all Withdrawn Members, their successors, heirs, estates or legal representatives and any other person, and to the fullest extent permitted by law no such person shall have the right to an accounting or an appraisal of the assets of the Company or any successor thereto.

5.2 Capital Accounts . (a) There shall be established for each Member on the books of the Company, to the extent and at such times as may be appropriate, one or more capital accounts as the Managing Member may deem to be appropriate for purposes of accounting for such Member's interests in the capital and Net Income (Loss) of the Company.

(b) As of the end of each accounting period or, in the case of a contribution to the Company by one or more of the Members or a distribution by the Company to one or more of the Members, at the time of such contribution or distribution, (i) the appropriate capital accounts of each Member shall be credited with the following amounts: (A) the amount of cash and the value of any property contributed by such Member to the capital of the Company during such accounting period, (B) the Net Income allocated to such Member for such accounting period and (C) the interest credited on the balance of such Member's capital for such accounting period pursuant to Section 4.2; and (ii) the appropriate capital accounts of each Member shall be debited with the following amounts: (x) the amount of cash, the principal amount of any subordinated promissory note of the Company referred to in Section 6.5(k) (as such amount is paid) and the value of any property distributed to such Member during such accounting period and (y) the Net Loss allocated to such Member for such accounting period.

5.3 Profit Sharing Percentages . (a) Prior to the beginning of each annual accounting period, the Managing Member shall establish the profit sharing percentage (the " Profit Sharing Percentage ") of each Member in each category of Net Income (Loss) for such annual accounting period pursuant to Section 5.1(a) taking into account such factors as the Managing Member deems appropriate, including those referred to in Section 5.1(d); provided , that (i) the Managing Member may elect to establish Profit Sharing Percentages in Net Income (Loss) from any Investment acquired by the Company during such accounting period at the time such Investment is acquired in accordance with paragraph (d) below and (ii) Net Income (Loss) for such accounting period from any Investment shall be allocated in accordance with the Profit Sharing Percentages in such Investment established in accordance with paragraph (d) below. The Managing Member may establish different Profit Sharing Percentages for any Member in different categories of Net Income (Loss). In the case of the Withdrawal of a Member, such former Member's Profit Sharing Percentages shall be allocated by the Managing Member to one or more of the remaining Members. In the case of the admission of any Member to the Company as an additional Member, the Profit Sharing Percentages of the other Members shall be reduced by an amount equal to the Profit Sharing Percentage allocated to such new Member pursuant to Section 6.1(b); such reduction of each other Member's Profit Sharing Percentage shall be pro rata based upon such Member's Profit Sharing Percentage as in effect immediately prior to the admission of the new Member. Notwithstanding the foregoing, the Managing Member may also adjust the Profit Sharing Percentage of any Member for any annual accounting period at the end of such annual accounting period in its sole discretion.

(b) The Managing Member may elect to allocate to the Members less than 100% of the Profit Sharing Percentages of any category for any annual accounting period at the time specified in Section 5.3(a) for the annual fixing of Profit Sharing Percentages (any remainder of such Profit Sharing Percentages being called an " Unallocated Percentage "); provided , that any Unallocated Percentage in any category of Net Income (Loss) for any annual accounting period that is not allocated by the Managing Member within 90 days after the end of such accounting period shall be deemed to be allocated among all Members (including the Managing Member) in the manner determined by the Managing member in its sole discretion.

(c) [Intentionally Omitted]

(d) Unless otherwise determined by the Managing Member in a particular case, (i) Profit Sharing Percentages in Net Income (Loss) from any Investment shall be established in proportion to the Members' respective capital contributions in respect of such Investment and (ii) Profit Sharing Percentages in Net Income (Loss) from each Investment shall be fixed at the time such Investment is acquired and shall not thereafter change, subject to any repurchase rights established by the Managing Member pursuant to Section 5.7.

5.4 Allocations of Net Income (Loss) . (a) Except as provided in Sections 5.4(d) and 5.4(e), Net Income of the Company for each Investment shall be allocated to the capital accounts related to such Investment of all the Members participating in such Investment (including the Managing Member): first, in proportion to and to the extent of the amount of Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest distributed to the Members; second, to Members that received Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest in years prior to the years such Net Income is being allocated to the extent such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest exceeded Net Income allocated to such Members in such earlier years; and third, to the Members in the same manner that such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest would have been distributed if cash were available to distribute with respect thereto.

(b) Net Loss of the Company shall be allocated as follows: (i) Net Loss relating to realized losses suffered by BMEZP II and allocated to the Company with respect to its pro rata share thereof (based on capital contributions made to BMEZP II) shall be allocated to the Members in accordance with each Member's Non-Carried Interest Sharing Percentage with respect to the Investment giving rise to such loss suffered by BMEZP II and (ii) Net Loss relating to realized losses suffered by BMEZP II and allocated to the Company with respect to the Carried Interest shall be allocated in accordance with a Member's (including Withdrawn Member's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.7(e)).

(c) Notwithstanding Section 5.4(a) above, Net Income relating to Carried Interest allocated after the allocation of a Net Loss pursuant to clause (ii) of Section 5.4(b) shall be allocated in accordance with such Carried Interest Give Back Percentages until such time as the Members have been allocated Net Income relating to Carried Interest equal to the aggregate amount of Net Loss previously allocated in accordance with clause (ii) of Section 5.4(b). Withdrawn Members shall remain Members for purposes of allocating such Net Loss with respect to Carried Interest.

(d) To the extent the Company has any Net Income (Loss) for any accounting period unrelated to BMEZP II, such Net Income (Loss) will be allocated in accordance with Profit Sharing Percentages prevailing at the beginning of such accounting period, except as provided in Section 5.4(e).

(e) The Managing Member may authorize from time to time advances to Members against their allocable shares of Net Income (Loss).

5.5 Liability of Members . Except as otherwise provided in the LLC Act or as expressly provided in this Agreement, no Member shall be personally obligated for any debt, obligation or liability of the Company or of any other Member solely by reason of being a Member. In no event shall any Member or Withdrawn Member (i) be obligated to make any capital contribution or payment to or on behalf of the Company or (ii) have any liability to return distributions received by such Member from the Company, in each case except as specifically provided in Sections 4.1(d) or 5.8 or otherwise in this Agreement, as such Member shall otherwise expressly agree in writing or as may be required by applicable law.

5.6 Repurchase Rights, etc . The Managing Member may from time to time establish such repurchase rights and other requirements with respect to the Members' Interests relating to BMEZP II Investments as the Managing Member may determine. The Managing Member shall have authority to (a) withhold any distribution otherwise payable to any Member until any such repurchase rights have lapsed or any such other requirements have been satisfied, (b) pay any distribution to any Member that is Contingent as of the distribution date and require the refund of any portion of such distribution that is Contingent as of the Withdrawal Date of such Member, (c) amend any previously established repurchase rights or other requirements from time to time and (d) make such exceptions thereto as it may determine on a case by case basis.

5.7 Distributions . (a) (i) The Company shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Members at such times and in such amounts as are determined by the Managing Member. The Managing Member shall, if it deems it appropriate, determine the availability for distribution of, and distribute, cash or other property separately for each category of Net Income (Loss) established pursuant to Section 5.1(a). Distributions of cash or other property with respect to Non-Carried Interest shall be made among the Members in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Sections 4.1(d) and 5.7(e), distributions of cash or other property with respect to Carried Interest shall be made among Members in accordance with their respective Carried Interest Sharing Percentages. At any time that a

sale, exchange, transfer or other disposition by BMEZP II of a portion of an Investment is being considered by the Company (a "Disposable Investment"), at the election of the Managing Member each Member's Interest with respect to such Investment shall be vertically divided into two separate Interests, an Interest attributable to the Disposable Investment (a Member's "Class B Interest"), and an Interest attributable to such Investment excluding the Disposable Investment (a Member's "Class A Interest"). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BMEZP II) relating to a Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class B Interests with respect to such Investment in accordance with their Profit Sharing Percentages relating to such Class B Interests, and distributions (including those resulting from the sale, transfer, exchange or other disposition by BMEZP II) relating to an Investment excluding such Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class A Interests with respect to such Investment in accordance with their respective Profit Sharing Percentages relating to such Class A Interests. Except as provided above, distributions of cash or other property with respect to each category of Net Income (Loss) shall be allocated among the Members in the same proportions as the allocations of Net Income (Loss) of each such category.

(b) Subject to the Company's having sufficient available cash in the reasonable judgment of the Managing Member, the Company shall make cash distributions to each Member with respect to each Fiscal Year of the Company in an aggregate amount at least equal to the total Federal, New York State and New York City income and other taxes that would be payable by such Member with respect to all categories of Net Income (Loss) allocated to such Member for such Fiscal Year, the amount of which shall be calculated (i) on the assumption that each Member is an individual subject to the then prevailing maximum Federal, New York State and New York City income tax rates, (ii) taking into account the deductibility of state and local income and other taxes for Federal income tax purposes and (iii) taking into account any differential in applicable rates due to the type and character of Net Income (Loss) allocated to such Member. Notwithstanding the provisions of the foregoing sentence, the Managing Member may refrain from making any distribution if, in the reasonable judgment of the Managing Member, such distribution is prohibited by § 18-607 of the LLC Act.

(c) The Managing Member may provide that a Member or employee of the Company's right to distributions and investments of the Company may be subject to repurchase by the Company or such other requirements over such period as the Managing Member shall determine (a " Repurchase Period "). Any Contingent distributions from investments subject to repurchase rights or other requirements will be withheld by the Company and will be distributed to the recipient thereof (together with interest thereon at rates determined by the Managing Member from time to time) as the recipient's rights to such distributions become Non-Contingent (by virtue of the expiration of the applicable Repurchase Period or otherwise). The Managing Member may elect in an individual case to have the Company distribute any Contingent distribution to the applicable recipient thereof irrespective of whether the applicable Repurchase Period has lapsed. If a Member Withdraws from the Company for any reason other than his death, Total Disability or Incompetence, the undistributed share of any investment that remains Contingent as of the applicable Withdrawal Date shall be repurchase by the Company at a purchase price determined at such time by the Managing Member. Unless determined otherwise by the Managing Member, the repurchased portion thereof will be allocated among the remaining Members with interests in such investment in proportion to their respective percentage interests in such investment, or if no other Member has a percentage interest in such specific investment, to the Managing Member; provided , that the Managing Member may allocate the Withdrawn Member's share of unrealized investment income from a repurchased investment attributable to the period after the Withdrawn Member's Withdrawal Date on any basis it may determine, including to existing or new Members who did not previously have interests in such investment, except that, in any event, each Investor Special Member shall be allocated a share of such unrealized investment income equal to its respective Profit Sharing Percentage of such unrealized investment income.

(d) (i) (A) If the Company is obligated under the Clawback Provisions or Giveback Provisions to contribute a Clawback Amount or Giveback Amount to BMEZP II, the Company shall call for such amounts as are necessary to satisfy such obligations as determined by the Managing Member, in which case each Member and Withdrawn Member shall contribute to the Company, in cash, when and as called by the Company, such an amount of prior distributions by the Company (and the Other Fund GPs) with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the " Recontribution Amount ") which equals (I) the product of (a) a Member's or Withdrawn Member's Carried Interest Give Back Percentage and (b) the aggregate Clawback Amount payable by the Company in the case of Clawback Amounts and (II) with respect to a Giveback, such Member's pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the BMEZP II Investment giving rise to the Giveback Amount, (b) if the amounts contributed pursuant to clause (II)(a) above are insufficient to satisfy such Giveback Amount, BMEZP II Investments other than the one giving rise to such obligation, but only those amounts received by the Members with an interest in the BMEZP II Investment referred to in clause (II)(a) above and (c) if the Giveback Amount is unrelated to a specific BMEZP II Investment, all BMEZP II Investments. Each Member and Withdrawn Member shall promptly contribute to the Company, along with satisfying his comparable obligations to the Other Fund GPs, if any, upon such call such Member's or Withdrawn Member's Recontribution Amount, less the amount paid out of the Trust Account on behalf of such Member or Withdrawn Member by the Trustee(s) pursuant to written instructions from the Company, or if applicable, any of the Other Fund GPs with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the " Net Recontribution Amount "), irrespective of the fact that the amounts in the Trust Account may be sufficient on an aggregate basis to satisfy the Company's and the Other Fund GPs' obligation under the Clawback Provisions and/or Giveback Provisions; provided , that to the extent a Member's or Withdrawn Member's share of the amount paid with respect to the Clawback Amount or the Giveback Provisions exceeds his Recontribution Amount, such excess shall be repaid to such Member or Withdrawn Member as promptly as reasonably practicable, subject to clause (ii) below; provided further , that such written instructions from the Company shall specify each Member's and Withdrawn Member's Recontribution Amount. Prior to such time, the Company may, in its discretion (but shall be under no obligation to), provide notice that in the Company's judgment, the potential obligations in respect of the Clawback Provisions or the Giveback Provisions will probably materialize (and an estimate of the aggregate amount of such obligations); provided further , that any amount from a Member's Trust Account used to pay any Giveback Amount (or such lesser amount as may be required by the Managing Member) shall be contributed by such Member to such Member's Trust Account no later than 30 days after the Net Recontribution Amount is paid with respect to such Giveback.

(B) To the extent any Member or Withdrawn Member has satisfied any Holdback obligation with Firm Collateral, such Member or Withdrawn Member shall, within 10 days of the Company's call for Recontribution Amounts, make a cash payment into the Trust Account in an amount equal to the amount of the Holdback obligation satisfied with such Firm Collateral, or such lesser amount such that the amount in the Trust Account allocable to such Member or Withdrawn Member equals the sum of (I) such Member's or Withdrawn Member's Recontribution Amount and (II) any similar amounts payable to any of the Other Fund GPs. Immediately upon receipt of such cash, the Trustee(s) shall take such steps as are necessary to release such Firm Collateral of such Member or Withdrawn Member equal to the amount of such cash payment. If the amount of such cash payment is less than the amount of Firm Collateral of such Member or Withdrawn Member, the balance of such Firm Collateral if any, shall be retained to secure the payment of Deficiency Contributions, if any, and shall be fully released upon the satisfaction of the Company's and the Other Fund GPs' obligation to pay the Clawback Amount. The failure of any Member or Withdrawn Member to make a cash payment in accordance with this clause (B) (to the extent applicable) shall constitute a default under Section 5.7(d)(ii) as if such cash payment hereunder constitutes a Net Recontribution Amount under Section 5.7(d)(ii).

(ii) (A) In the event any Member or Withdrawn Member (a " Defaulting Party ") fails to recontribute all or any portion of such Defaulting Party's Net Recontribution Amount for any reason, the Company shall require all other Members and Withdrawn Members to contribute, on a pro rata basis (based on each of their respective Carried Interest Give Back Percentages in the case of Clawback Amounts, and Profit Sharing Percentages in the case of Giveback Amounts (as more fully described in clause (II) of Section 5.7(d)(i)(A) above)), such amounts as are necessary to fulfill the Defaulting Party's obligation to pay such Defaulting Party's Net Recontribution Amount (a " Deficiency Contribution ") if the Managing Member determines in its good faith judgment that the Company will be unable to collect such amount in cash from such Defaulting Party for payment of the Clawback Amount or Giveback Amount, as the case may be, at least 20 Business Days prior to the latest date that the Company, and the Other Fund GPs, if applicable, are permitted to pay the Clawback Amount or Giveback Amount, as the case may be; provided , that, subject to Section 5.7(e), no Member or Withdrawn Member shall as a result of such Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of the Net Recontribution Amount initially requested from such Member or Withdrawn Member in respect of such default. Thereafter, the Managing Member shall determine in its good faith judgment that the Company should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the Managing Member or (2) pursue any and all remedies (at law or equity) available to the Company against the Defaulting Party, the cost of which shall be a Company expense to the extent not ultimately reimbursed by the Defaulting Party. It is agreed that the Company shall have the right (effective upon such Defaulting Party becoming a Defaulting Party) to set-off as appropriate and apply against such Defaulting Party's Net Recontribution Amount any amounts otherwise payable to the Defaulting Party by the Company or any affiliate thereof (including amounts unrelated to Carried Interest, such as returns of capital and profit thereon). Each Member and Withdrawn Member hereby grants to the Company a security interest, effective upon such Member or Withdrawn Member becoming a Defaulting Party, in all accounts receivable and other rights to receive payment from any affiliate of the Company and agrees that, upon the effectiveness of such security interest, the Company may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member and Withdrawn Member hereby appoints the Company as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Member or Withdrawn Member or in the name of the Company, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Company shall be entitled to collect interest on the Net Recontribution Amount of a Defaulting Party from the date such Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(B) Any Member's or Withdrawn Member's failure to make a Deficiency Contribution shall cause such Member or Withdrawn Member to be a Defaulting Party with respect to such amount. The Company shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Member or Withdrawn Member to satisfy such Member's or Withdrawn Member's obligation to make a Deficiency Contribution before seeking cash contributions from such Member or Withdrawn Member in satisfaction of such Member's or Withdrawn Member's obligation to make a Deficiency Contribution.

(iii) A Member's or Withdrawn Member's obligation to make contributions to the Company under this Section 5.7(d) shall survive the termination of the Company.

(e) The Members acknowledge that the Managing Member will (and are hereby authorized to) take such steps as it deems appropriate, in its good faith, to further the objective of providing for the fair and equitable treatment of all Members, including by allocating Writedowns and

Losses (as defined in the BMEZP II Partnership Agreement) on BMEZP II Investments that have been the subject of a Writedown and/or Losses (each, a " Loss Investment ") to those Members who participated in such Loss Investments based on their Carried Interest Sharing Percentage therein to the extent that such Members receive or have received Carried Interest distributions from other BMEZP II Investments. Consequently and notwithstanding anything herein to the contrary, adjustments to Carried Interest distributions shall be made as set forth in this Section 5.7(e).

(i) At the time the Company is making Carried Interest distributions in connection with a BMEZP II Investment (the " Subject Investment ") that have been reduced under the BMEZP II Partnership Agreement as a result of one or more Loss Investments, the Managing Member shall calculate amounts distributable to or due from each such Member as follows:

(A) determine each Member's share of each such Loss Investment based on his Carried Interest Sharing Percentage in each such Loss Investment (which may be zero) to the extent such Loss Investment has reduced the Carried Interest distributions otherwise available for distribution to all Members (indirectly through the Company from BMEZP II) from the Subject Investment (such reduction, the " Loss Amount ");

(B) determine the amount of Carried Interest distributions otherwise distributable to such Member with respect to the Subject Investment (indirectly through the Company from BMEZP II) before any reduction in respect of the amount determined in clause (A) above (the " Unadjusted Carried Interest Distributions "); and

(C) subtract (I) the Loss Amounts relating to all Loss Investments from (II) the Unadjusted Carried Interest Distributions for such Member, to determine the amount of Carried Interest distributions to actually be paid to such Member (" Net Carried Interest Distribution ").

To the extent that the Net Carried Interest Distribution for a Member as calculated in this clause (i) is a negative number, the Managing Member shall (I) notify such Member, at or prior to the time such Carried Interest distributions are actually made to the Members, of his obligation to recontribute to the Company prior Carried Interest distributions (a " Net Carried Interest Distribution Recontribution Amount "), up to the amount of such negative Net Carried Interest Distribution, and (II) to the extent amounts recontributed pursuant to clause (I) are insufficient to satisfy such negative Net Carried Interest Distribution amount, reduce future Carried Interest distributions otherwise due such Member, up to the amount of such remaining negative Net Carried Interest Distribution. If a Member's (x) Net Carried Interest Distribution Recontribution Amount exceeds (y) the aggregate amount of prior Carried Interest distributions less the amount of tax thereon, calculated based on the Assumed Tax Rate (as defined in the BMEZP II Partnership Agreement) in effect in the Fiscal Years of such distributions (the " Excess Tax-Related Amount "), then such Member may, in lieu of paying such Member's Excess Tax-Related Amount, defer such amounts as set forth below. Such deferred amount shall accrue interest at the Prime Rate. Such deferred amounts shall be reduced and repaid by the amount of Carried Interest otherwise distributable to such Member in connection with future Carried Interest distributions until such balance is reduced to zero. Any deferred amounts shall be payable in full upon the earlier of (i) such time as the Clawback is determined (as provided herein) and (ii) such time as the Member becomes a Withdrawn Member.

To the extent there is an amount of negative Net Carried Interest Distribution with respect to a Member remaining after the application of this clause (i), notwithstanding clause (II) of the preceding paragraph, such remaining amount of negative Net Carried Interest Distribution shall be allocated to the other Members pro rata based on each of their Carried Interest Sharing Percentages in the Subject Investment.

A Member who fails to pay a Net Carried Interest Distribution Recontribution Amount promptly upon notice from the Managing Member (as provided above) shall be deemed a Defaulting Party for all purposes hereof.

A Member may satisfy in part any Net Carried Interest Distribution Recontribution Amount from cash that is then subject to a Holdback, to the extent that the amounts that remain subject to a Holdback satisfy the Holdback requirements hereof as they relate to the reduced amount of aggregate Carried Interest distributions received by such Member (taking into account any Net Carried Interest Distribution Recontribution Amount contributed to the Company by such Member).

Any Net Carried Interest Distribution Recontribution Amount contributed by a Member, including amounts of cash subject to a Holdback as provided above, shall increase the amount available for distribution to the other Members as Carried Interest distributions with respect to the Subject Investment; provided , that any such amounts then subject to a Holdback may be so distributed to the other Members to the extent a Member receiving such distribution has satisfied the Holdback requirements with respect to such distribution (taken together with the other Carried Interest distributions received by such Member to date).

(ii) In the case of Clawback Amounts which are required to be contributed to the Company as otherwise provided herein, the obligation of the Members with respect to any Clawback Amount shall be adjusted by the Managing Member as follows:

(A) determine each Member's share of any Losses in any BMEZP II Investments which gave rise to the Clawback Amount (i.e. , the Losses that followed the last BMEZP II Investment with respect to which Carried Interest distributions were made), based on such Member's Carried Interest Sharing Percentage in such BMEZP II Investments;

(B) determine each Member's obligation with respect to the Clawback Amount based on such Member's Carried Interest Give Back Percentage as otherwise provided herein; and

subtract the amount determined in clause (B) above from the amount determined in clause (A) above with respect to each Member to determine the amount of adjustment to each Member's share of the Clawback Amount (a Member's " Clawback Adjustment Amount ").

A Member's share of the Clawback Amount shall for all purposes hereof be decreased by such Member's Clawback Adjustment Amount, to the extent it is a negative number (except to the extent expressly provided below). A Member's share of the Clawback Amount shall for all purposes hereof be increased by such Member's Clawback Adjustment Amount (to the extent it is a positive number); provided , that in no way shall a Member's aggregate obligation to satisfy a Clawback Amount as a result of this clause (ii) exceed the aggregate Carried Interest distributions received by such Member. To the extent a positive Clawback Adjustment Amount remains after the application of this clause (ii) with respect to a Member, such remaining Clawback Adjustment Amount shall be allocated to the Members (including any Member whose Clawback Amount was increased pursuant to this clause (ii)) pro rata based on their Carried Interest Give Back Percentages (determined without regard to this clause (ii)).

Any distribution or contribution adjustments pursuant to this Section 5.7(e) by the Managing Member shall be based on its good faith judgment, and no Member shall have any claim against the Company, the Managing Member or any other Members as a result of any adjustment made as set forth above. This Section 5.7(e) applies to all Members, including Withdrawn Members.

It is agreed and acknowledged that this Section 5.7(e) is an agreement among the Members and in no way modifies the obligations of each Member regarding the Clawback as provided in the BMEZP II Partnership Agreement.

5.8 Business Expenses . The Company shall reimburse the Members for reasonable travel, entertainment and miscellaneous expenses incurred by them in the conduct of the Company's business in accordance with rules and regulations established by the Managing Member from time to time.

ARTICLE VI

ADDITIONAL MEMBERS; WITHDRAWAL OF MEMBERS; SATISFACTION AND DISCHARGE OF COMPANY INTERESTS; TERMINATION

6.1 Additional Members . (a) Effective on the first day of any month (or on such other date as shall be determined by the Managing Member in its sole discretion), the Managing Member shall have the right to admit one or more additional persons into the Company as Regular Members or Special Members. The Managing Member shall determine and negotiate with the additional Member all terms of such additional Member's participation in the Company, including the additional Member's initial capital contribution and Profit Sharing Percentage. Each additional Member shall have such voting rights as may be determined by the Managing Member from time to time unless, upon the admission to the Company of any Special Member (including any Special Member), the Managing Member shall designate that such Special Member shall not have such voting rights (any such Special Member being called a " Nonvoting Special Member "). Any additional Member shall, as a condition to becoming a Member, agree to become a party to, and be bound by the terms and conditions of, the Trust Agreement.

(b) The Profit Sharing Percentages to be allocated to an additional Member as of the date such Member is admitted to the Company, together with the pro rata reduction in all other Members' Profit Sharing Percentages as of such date, shall be established by the Managing Member pursuant to Section 5.3.

(c) An additional Member shall be required to contribute to the Company his pro rata share of the Company's total capital, excluding capital in respect of Investments in which such Member does not acquire any interests, at such times and in such amounts as shall be determined by the Managing Member in accordance with Section 4.1.

(d) The admission of an additional Member will be evidenced by (i) the execution of a counterpart copy of this Agreement by such additional Member or (ii) the execution of an amendment to this Agreement by all the Members (including the additional Member), as determined by the Managing Member.

6.2 Withdrawal of Members . (a) Any Member may Withdraw voluntarily from the Company on the last day of any calendar month, on not less than 15 days' prior written notice by such Member to the Managing Member (or on such shorter notice period as may be mutually agreed upon

between such Member and the Managing Member); provided , that a Member may not voluntarily Withdraw without the consent of the Managing Member if such Withdrawal would (i) cause the Company to be in default under any of its contractual obligations or (ii) in the reasonable judgment of the Managing Member, have a material adverse effect on the Company or its business.

(b) Upon the Withdrawal of any Member, including by the occurrence of any withdrawal event under the LLC Act with respect to any Member, such Member shall thereupon cease to be a Member, except as expressly provided herein.

(c) Upon the Total Disability of a Regular Member, such Member shall thereupon cease to be a Regular Member; provided , that the Managing Member may elect to admit such Withdrawn Member to the Company as a Nonvoting Special Member with such Interest as the Managing Member may determine. The determination of whether any Member has suffered a Total Disability shall be made by the Managing Member in its sole discretion after consultation with a qualified medical doctor. In the absence of agreement between Managing Member and such Member, each party shall nominate a qualified medical doctor and the two doctors shall select a third doctor, who shall make the determination as to Total Disability.

(d) If the Managing Member determines or with a Majority in Interest of the Members that it shall be in the best interests of the Company for any Member (including any Member who has given notice of voluntary Withdrawal pursuant to paragraph (a) above) to Withdraw from the Company (whether or not Cause exists), such Member, upon written notice by the Managing Member to such Member, shall be required to Withdraw as of a date specified in such notice, which date shall be on or after the date of such notice. If the Managing Member requires any Member to Withdraw for Cause, such notice shall state that it has been given for Cause and shall describe the particulars thereof in reasonable detail.

(e) The withdrawal from the Company of any Member shall not, in and of itself, affect the obligations of the other Members to continue the Company during the remainder of its term.

6.3 Company Interests Not Transferable . (a) No Member may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Member's Interest other than as permitted by written agreement between such Member and the Company; provided , that this Section 6.3 shall not impair transfers by operation of law, transfers by will or by other testamentary instrument occurring by virtue of the death or dissolution of a Member, or transfers required by trust agreements; provided further , that a Regular Member may transfer, for estate planning purposes, up to 25% of his Profit Sharing Percentage to any estate planning trust, limited partnership, or limited liability company with respect to which a Regular Member controls investments related to any interest in the Company held therein (an "Estate Planning Vehicle"). Each Estate Planning Vehicle will be a Nonvoting Special Member. Such Regular Member and the Nonvoting Special Member shall be jointly and severally liable for all obligations of both such Regular Member and such Nonvoting Special Member with respect to the Company (including the obligation to make additional capital contributions), as the case may be. The Managing Member may at its sole option exercisable at any time require any Estate Planning Vehicle to withdraw from the Company on the terms of this Article VI. Except as provided in the second proviso to the first sentence of this Section 6.3, no assignee, legatee, distributee, heir or transferee (by conveyance, operation of law or otherwise) of the whole or any portion of any Member's Interest shall have any right to be a Member without the prior written consent of the Managing Member (which consent may be withheld without giving reason therefor). Notwithstanding the granting of a security interest in the entire Interest of any Member, such Member shall continue to be a Member of the Company.

6.4 Consequences upon Withdrawal of a Member . (a) The Withdrawal of a Regular Member shall not dissolve the Company if at the time of such Withdrawal there are one or more remaining Regular Members and any one or more of such remaining Regular Members continue the business of the Company (any and all such remaining Regular Members being hereby authorized to continue the business of the Company without dissolution and hereby agreeing to do so). Notwithstanding Section 6.4(b), if upon the Withdrawal of a Regular Member there shall be no remaining Regular Member, the Company shall be dissolved and shall be wound up unless, within 90 days after the occurrence of such Withdrawal, all remaining Special Members agree in writing to continue the business of the Company and to the appointment, effective as of the date of such Withdrawal, of one or more Regular Members.

(b) The Company shall not be dissolved, in and of itself, by the Withdrawal of any Member, but shall continue with the surviving or remaining Members as members thereof in accordance with and subject to the terms and provisions of this Agreement.

6.5 Satisfaction and Discharge of a Withdrawn Member's Interest . (a) As used in this Agreement, (i) the term " Withdrawn Member " shall mean a Member whose interest in the Company has been terminated for any reason, including the occurrence of an event specified in Section 6.2, and shall include, unless the context requires otherwise, the estate or legal representatives of any such Member, (ii) the term " Withdrawal Date " shall mean the date of the Withdrawal from the Company of a Withdrawn Member and (iii) the term " Settlement Date " shall mean the date as of which a Withdrawn Member's Interest is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Regular Member who Withdraws from the Company, and all or any portion of whose Interest is retained as a Special Member, shall be considered a Withdrawn Member for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Member's interest in the Company may be agreed to by the Managing Member and a Withdrawn Member, a Withdrawn Member's Settlement Date shall be his Withdrawal Date; provided, that if a Withdrawn Member's Withdrawal is not the last day of a month, then the Managing Member may elect for such Withdrawn Member's Settlement Date to be the last day of the month in which his Withdrawal Date occurs. During the interval, if any, between a Withdrawn Member's Withdrawal Date and Settlement Date, such Withdrawn Member shall have the same rights and obligations with respect to capital contributions, interest on capital, allocations of Net Income (Loss) and distributions as would have applied had such Withdrawn Member remained a Member of the Company during such period.

(c) In the event of the Withdrawal of a Member, the Managing Member shall promptly after such Withdrawn Member's Settlement Date (i) determine and allocate to the Withdrawn Member's capital account such Withdrawn Member's allocable share of the Net Income (Loss) of the Company for the period ending on such Settlement Date in accordance with Article V and (ii) credit the Withdrawn Member's capital account with interest in accordance with Section 5.2. In making the foregoing calculations, the Managing Member shall be entitled to establish such reserves (including reserves for taxes, bad debts, unrealized losses, actual or threatened litigation or any other expenses, contingencies or obligations) as it deems appropriate. Unless otherwise determined by the Managing Member in a particular case, a Withdrawn Member shall not be entitled to receive any Unallocated Percentage in respect of the accounting period during which such Member Withdraws from the Company (whether or not previously awarded or allocated) or any Unallocated Percentage in respect of prior accounting periods that have not been paid or allocated (whether or not previously awarded) as of such Withdrawn Member's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Member, the Withdrawn Member's Profit Sharing Percentages shall, unless otherwise allocated by the Managing Member pursuant to Section 5.3(a), be deemed to be Unallocated Percentages (except for Profit Sharing Percentages with respect to Investments as provided in paragraph (f) below).

(e) (i) Upon the Withdrawal from the Company of a Member, such Withdrawn Member thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Member (including voting rights), and, except as expressly provided in this Section 6.5, such Withdrawn Member shall not have any interest in the Company's Net Income (Loss), distributions, Investments or other assets. If a Member Withdraws from the Company for any reason other than for Cause pursuant to Section 6.2, then the Withdrawn Member shall be entitled to receive, at the time or times specified in Section 6.5(i) below, in satisfaction and discharge in full of the Withdrawn Member's Interest, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Member's capital accounts, (excluding any capital account or portion thereof attributable to any Investment) and (y) the Withdrawn Member's percentage interest attributable to each Investment in which the Withdrawn Member has an interest as of the Settlement Date as provided in paragraph (f) below (which shall be settled in accordance with paragraph (f) below), subject to all the terms and conditions of paragraphs (a)-(r) of this Section 6.5. If the amount determined pursuant to clause (x) above is an aggregate negative balance, the Withdrawn Member shall pay the amount thereof to the Company upon demand by the Managing Member Members on or after the date of the statement referred to in paragraph (i) below; provided , that if the Withdrawn Member was solely a Special Member on his Withdrawal Date, such payment shall be required only to the extent of any amounts payable to such Withdrawn Member pursuant to this Section 6.5. Any aggregate negative balance in the capital accounts of a Withdrawn Member who was solely a Special Member, upon the settlement of such Withdrawn Member's Interest pursuant to this Section 6.5, shall be allocated among the other Members' capital accounts in accordance with their respective Profit Sharing Percentages in the categories of Net Income (Loss) giving rise to such negative balance as determined by the Managing Member as of such Withdrawn Member's Settlement Date. In the settlement of any Withdrawn Member's interest in the Company, no value shall be ascribed to goodwill, the Company name or the anticipation of any value the Company or any successor thereto might have in the event the Company or any interest therein were to be sold in whole or in part.

(ii) Notwithstanding clause (i) of this Section 6.5(e), in the case of a Member whose Withdrawal resulted from such Member's death or Incompetence, such Member's estate or legal representative, as the case may be, may elect, at the time described below, to receive a Nonvoting Special Member Interest and retain such Member's Profit Sharing Percentage in all (but not less than all) illiquid investments of the Company in lieu of a cash payment (or Note) in settlement of that portion of the Withdrawn Member's interest. The election referred to above shall be made within 60 days after the Withdrawn Member's Settlement Date, based on a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Member's "percentage interest" means his Profit Sharing Percentage as of the Settlement Date in the relevant Investment. The Withdrawn Member shall retain his percentage interest in such Investment and shall retain his capital account or portion thereof attributable to such Investment, in which case such Withdrawn Member (a " Retaining Withdrawn Member ") shall become and remain a Special Member for such purpose (and, if the Managing Member so designates, such Special Member shall be a Nonvoting Special Member). The Interests of a Retaining Withdrawn Member pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to Interests of any kind hereunder and such other terms and conditions as are established by the Managing Member. At the option of the Managing Member in its sole discretion, the Managing Member and the Retaining Withdrawn Member may agree to have the Company acquire such interests without the approval of the other Members; provided , that the Managing Member shall reflect in the books and records of the Company the terms of any acquisition pursuant to this sentence.

(g) The Managing Member may elect, in lieu of payment in cash of any amount payable to a Withdrawn Member pursuant to paragraph (e) above, to have the Company issue to the Withdrawn Member a subordinated promissory note as provided in paragraph (k) below and/or to distribute in kind to the Withdrawn Member such Withdrawn Member's pro rata share (as determined by the Managing Member) of any securities or other investments of the Company. If any securities or other investments are distributed in kind to a Withdrawn Member under this paragraph (g), the amount described in clause (x) of paragraph (e)(i) shall be reduced by the value of such distribution as valued on the latest balance sheet of the Company in accordance with generally accepted accounting principles or, if not appearing on such balance sheet, as reasonably determined by the Managing Member.

(h) [Intentionally omitted].

(i) Within 120 days after each Settlement Date, the Managing Member shall submit to the Withdrawn Member a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to this Section 6.5 together with any cash payment, subordinated promissory note (as referred to in paragraph (k) below) and in kind distributions to be made to such Member as shall be determined by the Managing Member. The Managing Member shall submit to the Withdrawn Member supplemental statements with respect to additional amounts payable to or by the Withdrawn Member in respect of the settlement of his interest in the Company (e.g. , payments in respect of Investments pursuant to paragraph (f) above or adjustments to reserves pursuant to paragraph (j) below) promptly after such amounts are determined by the Managing Member. To the fullest extent permitted by law, such statements and the valuations on which they are based shall be accepted by the Withdrawn Member without examination of the accounting books and records of the Company or other inquiry. Any amounts payable by the Company to a Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment or provision for payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to the applicable date of payment or distribution; provided , that such Withdrawn Member shall otherwise rank pari passu in right of payment (x) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year before the Withdrawal Date of the Withdrawn Member in question and (y) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year after the Withdrawal Date of the Withdrawn Member in question.

(j) If the aggregate reserves established by the Managing Member as of the Settlement Date in making the foregoing calculations should prove, in the determination of the Managing Member, to be excessive or inadequate, the Managing Member may elect, but shall not be obligated, to pay the Withdrawn Member or his estate such excess, or to charge the Withdrawn Member or his estate such deficiency, as the case may be.

(k) Any amounts owed by the Withdrawn Member to the Company at any time on or after the Settlement Date (e.g. , outstanding Company loans or advances to such Withdrawn Member) shall be offset against any amounts payable or distributable by the Company to the Withdrawn Member at any time on or after the Settlement Date or shall be paid by the Withdrawn Member to the Company, in each case as determined by the Managing Member. All cash amounts payable by a Withdrawn Member to the Company under this Section 6.5 shall bear interest from the due date to the date of payment at a floating rate equal to the lesser of (x) the rate of interest publicly announced from time to time by JPMorgan Chase Bank in New York City as its prime rate and (y) the maximum rate of interest permitted by applicable law. The "due date" of amounts payable by a Withdrawn Member pursuant to Section 6.5(i) above shall be 120 days after a Withdrawn Member's Settlement Date. The "due date" of amounts

payable to or by a Withdrawn Member in respect of Investments for which the Withdrawn Member has retained a percentage interest in accordance with paragraph (f) above shall be 120 days after realization with respect to such Investment. The "due date" of any other amounts payable by a Withdrawn Member shall be 60 days after the date such amounts are determined to be payable.

(l) At the time of the settlement of any Withdrawn Member's interest in the Company pursuant to this Section 6.5, the Managing Member may, to the fullest extent permitted by applicable law, impose any restrictions it deems appropriate on the assignment, pledge, encumbrance or other transfer by such Withdrawn Member of any interest in any Investment retained by such Withdrawn Member, any securities or other investments distributed in kind to such Withdrawn Member or such Withdrawn Member's right to any payment from the Company.

(m) If a Member is required to Withdraw from the Company for Cause pursuant to Section 6.2(d), then his Interest shall be settled in accordance with paragraphs (a)-(m) of this Section 6.5; provided , that the Managing Member may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement:

(i) In settling the Withdrawn Member's interest in any Investment in which he has an interest as of his Settlement Date, the Managing Member may elect to (A) determine the Unrealized Net Income (Loss) attributable to each such Investment as of the Settlement Date and allocate to the appropriate capital account of the Withdrawn Member his allocable share of such Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Member's capital account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Member with the balance of his capital account or portion thereof attributable to each such Investment as of his Settlement Date without giving effect to the Unrealized Net Income (Loss) from such Investment as of his Settlement Date, which shall be forfeited by the Withdrawn Member or (C) apply the provisions of paragraph (f) above, provided , that the maximum amount of Net Income (Loss) allocable to such Withdrawn Member with respect to any Investment shall equal such Member's percentage interest of the Unrealized Net Income, if any, attributable to such Investment as of the Settlement Date (the balance of such Net Income (Loss), if any, shall be allocated as determined by the Managing Member). The Withdrawn Member shall not have any continuing interest in any Investment to the extent an election is made pursuant to (A) or (B) above.

(ii) Any amounts payable by the Company to the Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to or on or after the applicable date of payment or distribution.

(n) The payments to a Withdrawn Member pursuant to this Section 6.5 may be conditioned on the compliance by such Withdrawn Member with any lawful and reasonable (under the circumstances) restrictions against engaging or investing in a business competitive with that of the Company or any of its subsidiaries and affiliates for a period not exceeding two years determined by the Managing Member. Upon written notice to the Managing Member, any Withdrawn Member who is subject to noncompetition restrictions established by the Managing Member pursuant to this paragraph (o) may elect to forfeit the principal amount payable in the final installment of his subordinated promissory note under paragraph (k) above, together with interest to be accrued on such installment after the date of forfeiture, in lieu of being bound by such restrictions.

(o) In addition to the foregoing, the Managing Member shall have the right to pay a Withdrawn Member (other than the Managing Member) a discretionary additional payment in an amount and based upon such circumstances and conditions as it determines to be relevant.

(p) The provisions of this Section 6.5 shall apply to any Investor Special Member relating to a Regular Member or Special Member and to any transferee of any interest of such Member pursuant to Section 6.3 if such Member Withdraws from the Company.

(q) (i) The Company will assist a Withdrawn Member or his estate or guardian, as the case may be, in the settlement of the Withdrawn Member's Interest in the Company. Third party costs incurred by the Company in providing this assistance will be borne by the Withdrawn Member or his estate.

(ii) The Company may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Members or their estates or guardians, as referred to above. In such instances, the Company will obtain the prior approval of a Withdrawn Member or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his estate or guardian) declines to incur such costs, the Company will provide such reasonable assistance as and when it can so as not to interfere with the Company's day-to-day operating, financial, tax and other related responsibilities to the Company and the Members.

(r) Each Member (other than the Managing Member) hereby irrevocably appoints the Managing Member as such Member's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file, on behalf of such Member, any and all agreements, instruments, documents and certificates which Managing Member deems necessary or advisable in connection with any transaction or matter contemplated by or provided for in this Section 6.5, including, without limitation, the performance of any obligation of such Member or the Company or the exercise of any right of such Member or the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Company of any Member for any reason and shall not be affected by the death, disability or incapacity of such Member.

6.6 Dissolution of the Company . The Managing Member may dissolve the Company prior to the expiration of its term at any time on not less than 60 days' notice of the dissolution date given to the other Members. Upon the dissolution of the Company, and following the payment of creditors of the Company and the making of provisions for the payment of any contingent, conditional or unmatured claims known to the Company as required under the LLC Act, the Members' respective interests in the Company shall be valued and settled in accordance with the procedures set forth in Sections 5.9 and 6.5 which provide for allocations to the capital accounts of the Members and distributions in accordance with the capital account balances of the Members. The Managing Member shall be the liquidator. In the event that the Managing Member is unable to serve as the liquidator, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Members voting at a meeting of Members (excluding Nonvoting Special Members).

6.7 Certain Tax Matters . (a) All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members for Federal, state and local income tax purposes in the same manner as such items of income, gain, loss, deduction and credit shall be allocated among the Members pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. To the extent Treasury Regulations promulgated pursuant to Subchapter K of the Code (including under Sections 704(b) and (c) of the Code) or other applicable law require allocations for tax

purposes that differ from the foregoing allocations, the Managing Member may determine the manner in which such tax allocations shall be made so as to comply more fully with such Treasury Regulations or other applicable law and, at the same time, preserve the economic relationships among the Members as set forth in this Agreement. In the event there is a net decrease in partnership minimum gain or partner nonrecourse debt minimum gain (determined in accordance with the principles of Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Company, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to its respective share of such net decrease during such year, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(f). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Regulations Section 1.704-1(b)(2)(ii)(d).

(b) The Managing Member shall cause to be prepared all Federal, state and local tax returns of the Company for each year for which such returns are required to be filed and, after approval of such returns by the Managing Member, shall cause such returns to be timely filed. The Managing Member shall determine the appropriate treatment of each item of income, gain, loss, deduction and credit of the Company and the accounting methods and conventions under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of any such item or any other method or procedure related to the preparation of such tax returns. The Managing Member may cause the Company to make or refrain from making any and all elections permitted by such tax laws. Each Member agrees that he shall not, unless he provides prior notice of such action to the Company, (i) treat, on his individual income tax returns, any item of income, gain, loss, deduction or credit relating to his interest in the Company in a manner inconsistent with the treatment of such item by the Company as reflected on the Form K-1 or other information statement furnished by the Company to such Member for use in preparing his income tax returns or (ii) file any claim for refund relating to any such item based on, or which would result in, such inconsistent treatment. In respect of an income tax audit of any tax return of the Company, the filing of any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company, or any administrative or judicial proceedings arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, (A) the Tax Matters Member (as defined below) shall be authorized to act for, and his decision shall be final and binding upon, the Company and all Members except to the extent a Member shall properly elect to be excluded from such proceeding pursuant to the Code, (B) all expenses incurred by the Tax Matters Member in connection therewith (including, without limitation, attorneys', accountants' and other experts' fees and disbursements) shall be expenses of the Company and (C) no Member shall have the right to (1) participate in the audit of any Company tax return, (2) file any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company (unless he provides prior notice of such action to the Company as provided above), (3) participate in any administrative or judicial proceedings conducted by the Company or the Tax Matters Member arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, or (4) appeal, challenge or otherwise protest any adverse findings in any such audit conducted by the Company or the Tax Matters Member or with respect to any such amended return or claim for refund filed by the Company or the Tax Matters Member or in any such administrative or judicial proceedings conducted by the Company or the Tax Matters Member. The Company and each Member hereby designate any Member selected by the Managing Member as the "tax matters partner" for purposes of Section 6231(a)(7) of the Code (the " Tax Matters Member "). To the fullest extent permitted by applicable law, each Member agrees to indemnify and hold harmless the Company and all other Members from and against any and all liabilities, obligations, damages, deficiencies and expenses resulting from any breach or violation by such Member of the provisions of this Section 6.8 and from all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees and disbursements, incident to any such breach or violation.

(c) Each individual Member shall provide to the Company copies of each Federal, state and local income tax return of such Member (including any amendment thereof) within 30 days after filing such return.

6.8 Special Basis Adjustments . In connection with any assignment or transfer of a Company interest permitted by the terms of this Agreement, the Managing Member may cause the Company, on behalf of the Members and at the time and in the manner provided in Code Regulations Section 1.754-1(b), to make an election to adjust the basis of the Company's property in the manner provided in Sections 734(b) and 743(b) of the Code.

ARTICLE VII

MISCELLANEOUS

7.1 Submission to Jurisdiction; Waiver of Jury Trial . (a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the Managing Member may bring, or may cause the Company to bring, on behalf of the Managing Member or the Company or on behalf of one or more Members, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Member (i) expressly consents to the application of paragraph (c) of this Section 7.1 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Managing Member as such Member's agents for service of process in connection with any such action or proceeding and agrees that service of process upon any such agent, who shall promptly advise such Member of any such service of process, shall be deemed in every respect effective service of process upon the Member in any such action or proceeding.

(c) (i) EACH MEMBER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISION OF THIS SECTION 7.1, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the for a designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 7.1 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 7.1 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq.) (the " Delaware Arbitration Act "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 7.1, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 7.1. In that case, this Section 7.1 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 7.1 shall be construed to omit such invalid or unenforceable provision.

7.2 Ownership and Use of the Company Name . The Company acknowledges that Blackstone Financial Services Inc. (" BFS "), a Delaware corporation with a principal place of business at 345 Park Avenue, New York, New York 10154, (or its successors or assigns) is the sole and exclusive owner of the mark and name BLACKSTONE and that the ownership of, and the right to use, sell or otherwise dispose of, the firm name or any abbreviation or modification thereof which consists of or includes BLACKSTONE, shall belong exclusively to BFS, which company (or its predecessors, successors or assigns) has licensed the Company to use BLACKSTONE in its name. The Company acknowledges that BFS owns the service mark BLACKSTONE for various services and that the Company is using the BLACKSTONE mark and name on a non-exclusive, non-sublicensable and non-assignable basis in connection with its business and authorized activities with the permission of BFS. All services rendered by the Company under the BLACKSTONE mark and name will be rendered in a manner and with quality levels that are consistent with the high reputation heretofore developed for the BLACKSTONE mark by BFS and its affiliates and licensees. The Company understands that BFS may terminate its right to use BLACKSTONE at any time in BFS sole discretion by giving the Company written notice of termination. Promptly following any such termination, the Company will take all steps necessary to change its company name to one which does not include BLACKSTONE or any confusingly similar term and cease all use of BLACKSTONE or any term confusingly similar thereto as a service mark or otherwise.

7.3 Written Consent . Any action required or permitted to be taken by a vote of Members at a meeting may be taken without a meeting if a Majority in Interest of the Members consent thereto in writing.

7.4 Letter Agreements; Schedules . The Managing Member may, or may cause the Company to, enter into separate letter agreements with certain Members, officers or employees with respect to Profit Sharing Percentages, benefits or any other matter, in each case on terms and conditions not inconsistent with this Agreement; provided, that, notwithstanding the foregoing, any terms of this Agreement may be made subject to any such letter agreements to the extent provided elsewhere herein. The Managing Member may from time to time execute and deliver to the Members schedules which set forth the then current capital balances and Profit Sharing Percentages of the Members and any other matters deemed appropriate by the Managing Member. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

7.5 Governing Law; Separability of Provisions . This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to principles of conflict of laws. In particular, the Company has been formed pursuant to the LLC Act, and the rights and liabilities of the Members shall be as provided therein, except as herein otherwise expressly provided. If any provision of this Agreement shall be held to be invalid, such provision shall be given its meaning to the maximum extent permitted by law and the remainder of this Agreement shall not be affected thereby.

7.6 Successors and Assigns . This Agreement shall be binding upon and shall, subject to the penultimate sentence of Section 6.3(a), inure to the benefit of the parties hereto, their respective heirs and personal representatives, and any successor to a trustee of a trust which is or becomes a party hereto; provided, that no person claiming by, through or under a Member (whether such Member's heir, personal representative or otherwise), as distinct from such Member itself, shall have any rights as, or in respect to, a Member (including the right to approve or vote on any matter or to notice thereof) except the right to receive only those distributions expressly payable to such person pursuant to Article VI. Any Member or Withdrawn Member shall remain liable for the obligations under this Agreement (including any Net Recontribution Amounts) of any transferee of all or any portion of such Member's or Withdrawn Member's interest in the Company, unless waived by the Managing Member. The Company shall, if the Managing Member determines, in its good faith judgment, based on the standard set forth in Section 5.7(d)(ii)(A), to pursue such transferee, pursue payment (including any Net Recontribution Amounts) from the transferee with respect to any such obligations. Nothing in this Agreement is intended, nor shall anything herein be construed, to confer any rights, legal or equitable, in any person other than the Members and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, the provisions of Sections 5.7(d)(i) and (iii) shall inure to the benefit of the limited partners or other investors in BMEZP II, and such limited partners or investors shall have the right to enforce the provisions thereof to the extent the Company does not otherwise do so.

7.7 Confidentiality . By executing this Agreement, each Member expressly agrees, at all times during the term of the Company and thereafter and whether or not at the time a Member of the Company, to maintain the confidentiality of, and not to disclose to any person other than the Company, another Member or a person designated by the Company, any information relating to the business, financial structure, financial position or financial results, clients or affairs of the Company that shall not be generally known to the public or the securities industry, except as otherwise required by law or by any regulatory or self-regulatory organization having jurisdiction; provided, that any corporate Member may disclose any such information it is required by law, rule, regulation or custom to disclose.

7.8 Notices . Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including telecopy or similar writing) and shall be given by hand delivery (including any courier service) or telecopy to any Member at its address or telecopy number shown in the Company's books and records or, if given to the Managing Member or the Company, at the address of the Company provided herein. Each such notice shall be effective (i) if given by telecopy, upon dispatch, and (ii) if given by hand delivery, when delivered to the address of such Member or Managing Member or the Company specified as aforesaid.

7.9 Counterparts . This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute a single instrument.

7.10 Power of Attorney . Each Member hereby irrevocably appoints the Managing Member as such Member's true and lawful representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file all instruments, documents and certificates which, from time to time, may be required to set forth any amendment to this Agreement or may be required by this Agreement or by the laws of the United States of America, the State of Delaware or any other state in which the Company shall determine to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the subsequent Withdrawal from the Company of any Member for any reason and shall not be affected by the subsequent disability or incapacity of such Member.

7.11 Member's Will . Each Member and Withdrawn Member shall include in his or her will a provision that addresses certain matters in respect of his or her obligations relating to the Company that is satisfactory to the Managing Member and each such Member and Withdrawn Member shall confirm annually to the Company, in writing, that such provision remains in his current will. Where applicable, any estate planning trust of such Member or Withdrawn Member to which a portion of such Member's or Withdrawn Member's Interest is transferred shall include a provision substantially similar to such provision attached hereto and the trustee of such trust shall confirm annually to the Company, in writing, that such provision or its substantial equivalent remains in such trust. In the event any Member or Withdrawn Member fails to comply with the provisions of this Section 7.10 after the Company has notified such Member or Withdrawn Member of his failure to so comply and such failure to so comply is not cured within 30 days of such notice, the Company may withhold any and all distributions to such Member until the time at which such party complies with the requirements of this Section 7.10.

7.12 Cumulative Remedies . Rights and remedies under this Agreement are cumulative and do not preclude use of other rights and remedies available under applicable law.

7.13 Legal Fees . Except as more specifically provided herein, in the event of a legal dispute (including litigation, arbitration or mediation) between any Member or Withdrawn Member and the Company, arising in connection with any party seeking to enforce Section 4.1 (d) or any other provision of this Agreement relating to the Holdback, the Clawback Amount, the Giveback Amount or the Recontribution Amount, the "losing" party to such dispute shall promptly reimburse the "victorious party" for all reasonable legal fees and expenses incurred in connection with such dispute (such determination to be made by the relevant adjudicator). Any amounts due under this Section 7.12 shall be paid within 30 days of the date upon which such amounts are due to be paid and such amounts remaining unpaid after such date shall accrue interest at the Default Interest Rate.

7.14 Entire Agreement . This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. Subject to Section 7.4, this Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written. In the event that it is impracticable to obtain the signature of any of the Members to this Agreement, this Agreement shall be binding among the other Members executing the same.

MANAGING MEMBER:

BLACKSTONE HOLDINGS II L.P.

By: Blackstone Holdings I/II GP Inc.,
its General Partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Authorized Person

Exhibit 10.18

BREA IV L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

DATED AS OF MAY 31, 2007

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BREA IV L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT of BREA IV L.L.C. (the " Company "), dated as of May 31, 2007, by and among Blackstone Holdings III L.P., a Delaware limited partnership (the " Managing Member " or " Holdings "), the other members of the Company as provided on the signature pages hereto, and such other persons that are admitted to the Company as members after the date hereof in accordance herewith.

W I T N E S S E T H

WHEREAS, the Company was formed under the LLC Act (defined below) pursuant to a certificate of formation filed in the office of the Secretary of State of the State of Delaware on August 5, 2002;

WHEREAS, the original limited liability company agreement of the Company was executed as of August 5, 2002 (the " Original Operating Agreement ");

WHEREAS, the Original Operating Agreement was amended and restated in its entirety by the Amended and Restated Limited Liability Company Agreement, dated as of September 9, 2002, of the Company (as amended to date, the " First Amended and Restated Operating Agreement "); and

WHEREAS, the parties hereto now wish to amend and restate the First Amended and Restated Operating Agreement in its entirety as of the date hereof and as more fully set forth below.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1. Definitions . Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

" Affiliate " when used with reference to another person means any person (other than the Company), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person.

" Agreement " means this Second Amended and Restated Limited Liability Company Agreement, as it may be further amended, supplemented, restated or otherwise modified from time to time.

" Alternative Vehicle " means any investment vehicle or structure formed pursuant to paragraph 2.7.1 of the BREP IV Partnership Agreement or any other "Alternative Investment Vehicle" (as defined in any other BREP IV Agreements).

" Applicable Collateral Percentage " shall have the meaning with respect to any Firm Collateral and any Special Firm Collateral, in each case, as set forth on the books and records of the Company with respect thereto.

" BCP " means Blackstone Capital Partners L.P., a Delaware limited partnership, and any investment vehicle established in accordance with the terms of Blackstone Capital Partners L.P.'s partnership agreement to invest in lieu of Blackstone Capital Partners L.P. on behalf of one or more of the partners thereof".

" BCP II " means Blackstone Capital Partners II Merchant Banking Fund L.P., a Delaware limited partnership formerly known as Blackstone Domestic Capital Partners II L.P., Blackstone Offshore Capital Partners II L.P., a Cayman Islands exempted limited partnership, and any investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreement of either of such partnerships.

" BCP III " means Blackstone Capital Partners III Merchant Banking Fund L.P., a Delaware limited partnership, Blackstone Offshore Capital Partners III L.P., a Cayman Islands exempted limited partnership, and any other investment vehicle or structure formed to invest in lieu thereof (in whole or in part).

" BCP IV " is the collective reference to Blackstone Capital Partners IV L.P., a Delaware limited partnership, and any other investment vehicle or structure formed to invest in lieu thereof (in whole or in part).

" BFREP IV " means Blackstone Family Real Estate Partnership IV L.P., a Delaware limited partnership.

" Blackstone Capital Commitment " has the meaning set forth in the BREP IV Partnership Agreement.

" Blackstone Co-Investment Rights " has the meaning set forth in the BREP IV Partnership Agreement.

" BREA IV " means Blackstone Real Estate Associates IV L.P., a Delaware limited partnership.

" BRECA IV " means Blackstone Real Estate Capital Associates IV L.P., a Delaware limited partnership, and any other partnership or other entity with terms substantially similar to the terms of that partnership and formed after the date hereof in connection with the indirect participation by one or more partners thereof who receive Carried Interest.

" BRECA IV Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Capital Associates IV L.P., dated as of the date hereof, as amended, supplemented or otherwise modified from time to time, and any other BRECA IV partnership agreement.

" BREH IV " means Blackstone Real Estate Holdings IV L.P., a Delaware limited partnership.

" BREMA IV " means Blackstone Real Estate Management Associates IV L.P., a Delaware limited partnership, whose general partner is the Company. BREMA IV is the general partner of Blackstone Real Estate Associates IV L.P.

" BREMA IV Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Management Associates IV L.P., dated as of the date hereof, as it may be further amended, supplemented or otherwise modified from time to time.

" BREP IV" means (i) Blackstone Real Estate Partners IV L.P., Blackstone Real Estate Partners IV.TE.1 L.P. and Blackstone Real Estate Partners IV.F L.P., each a Delaware limited partnership, (ii) any other Parallel Funds or other Supplemental Capital Vehicles (each as defined in the BREP IV Partnership Agreement), or (iii) any other investment vehicle established pursuant to Article 2 of the respective partnership agreements for any of the partnerships referred to in clause (i) above.

" BREP IV Agreements " means the BREP IV Partnership Agreement and any other BREP IV partnership agreements.

" BREP IV Investment " means the Company's indirect interest in a specific BREP IV investment pursuant to the BREP IV Partnership Agreement in its capacity as an indirect partner of BREP IV.

" BREP IV Partnership Agreement " means the Amended and Restated Agreements of Limited Partnership, each dated as of the date hereof, of the partnerships referred to in clause (i) of the definition of "BREP IV" in this Article I, as each of such agreements may be amended, supplemented or otherwise modified from time to time.

" Carried Interest " shall mean (i) distributions to the general partner of BREP IV pursuant to paragraphs 4.2.1(c) and (d), paragraphs 4.2.2(c) and (d) and paragraph 4.2.7 of the BREP IV Partnership Agreement (or similar provisions of investment vehicles formed after the date hereof) and (ii) any other carried interest payable pursuant to the BREP IV Partnership Agreement. In the case of each of (i) and (ii) above, except as determined by the Managing Member, the amount shall not be less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto (in each case which the Managing Member may allocate among all or any portion of the Investments as it determines in good faith is appropriate).

" Carried Interest Give Back Percentage " shall mean, for any Member or Withdrawn Member, subject to Section 5.8, the percentage determined by dividing (A) the aggregate amount of distributions received by such Member or Withdrawn Member from the Company, any Other Fund GPs or their Affiliates, excluding Holdings, in respect of Carried Interest by (B) the aggregate amount of distributions made to all Members, Withdrawn Members or any other person by the Company, any Other Fund GP or their Affiliates (in any capacity), excluding Holdings, in respect of Carried Interest. For purposes of determining "Carried Interest Give Back Percentage" hereunder, all Trust Amounts contributed to the Trust by the Company, Other Fund GPs or their Affiliates on behalf of a Member or Withdrawn Member (but not the Trust Income thereon) shall be deemed to have been initially distributed or paid to the Members and Withdrawn Members as members or partners of the Company, any of the Other Fund GPs or their Affiliates.

" Carried Interest Sharing Percentage " means, with respect to each Investment, the percentage interest of a Member in Carried Interest from such Investment set forth in the books and records of the Company.

" Cause " means the occurrence or existence of any of the following with respect to any Member, as determined fairly, reasonably, on an informed basis and in good faith by the Managing Member: (i) (w) any breach by any Member of any provision of any non-competition agreement, (x) any material breach of this Agreement or any rules or regulations applicable to such Member that are established by the Managing Member, (y) such Member's deliberate failure to perform his or her duties to the Company, or (z) such Member's committing to or engaging in

any conduct or behavior that is or may be harmful to the Company in a material way as determined by the Managing Member; *provided*, that in the case of any of the foregoing clauses (w), (x), (y) and (z), the Managing Member has given such Member written notice (a "Notice of Breach") within fifteen days after the Managing Member becomes aware of such action and such Member fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt of such Notice of Breach from the Managing Member (or such longer period, not to exceed an additional fifteen days, as shall be reasonably required for such cure, provided that such Member is diligently pursuing such cure); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Company; or (iii) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a regulatory body or by a self-regulatory body having authority with respect to securities laws, rules or regulations of the applicable securities industry, that such Member individually has violated any applicable securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Member's ability to function as a Member of the Company, taking into account the services required of such Member and the nature of the Company's business, or (B) the business of the Company.

" Charitable Organization " means an organization described in Section 170(c) of the Code (without regard to Section 17(c)(2)(A) thereof).

" Class A Interest " has the meaning set forth in Section 5.8.

" Class B Interest " has the meaning set forth in Section 5.8.

" Clawback Adjustment Amount " has the meaning set forth in Section 5.8(e)(ii)(C).

" Clawback Amount " shall mean the "Clawback Amount" and the "Interim Clawback Amount", both as set forth in Article One of the BREP IV Partnership Agreement and any other clawback amount payable to the limited partners of BREP IV pursuant to any BREP IV Partnership Agreement, as applicable.

" Clawback Provisions " shall mean paragraphs 4.2.9 and 9.2.8 of the BREP IV Partnership Agreement and any other similar provisions in any other BREP IV Agreement existing heretofore or hereafter entered into.

" Code " means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute. Any reference herein to a particular provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

" Commitment ", with respect to any Member, has the meaning set forth in such Member's Commitment Agreement or SMD Agreement.

" Commitment Agreements " means a commitment agreement by which a Member has committed to fund certain amounts with respect to the BREP IV Investments and certain expenses of BREP IV.

" Company " has the meaning set forth in the preamble hereto.

" Contingent " means subject to repurchase rights and/or other requirements.

" Deceased Member " shall mean any Member or Withdrawn Member who has died or who suffers from Incompetence. For purposes hereof, references to a Deceased Member shall refer collectively to the Deceased Member and the estate and heirs or legal representative of such Deceased Member, as the case may be, that have received such Deceased Member's interest in the Company.

" Defaulting Party " has the meaning set forth in Section 5.8(d)(ii)(A).

" Default Interest Rate " shall mean the lower of (i) the sum of (a) the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, a New York banking corporation, as its prime rate and (b) 5%, or (ii) the highest rate of interest permitted under applicable law.

" Deficiency Contribution " has the meaning set forth in Section 5.8(d)(ii)(A).

" Disposable Investment " has the meaning set forth in Section 5.8(a).

" Estate Planning Vehicle " has the meaning set forth in Section 6.3.

" Excess Holdback " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Holdback Percentage " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Tax-Related Amount " has the meaning set forth in Section 5.8(e).

" Existing Member " shall mean any Member who is neither a Retaining Withdrawn Member nor a Deceased Member.

" Firm Collateral " shall mean a Member's or Withdrawn Member's interest in one or more partnerships or limited liability companies, in either case affiliated with the Company, and certain other assets of such Member or Withdrawn Member, in each case that has been pledged or made available to the Trustee(s) to satisfy all or any portion of the Excess Holdback of such Member or Withdrawn Member as more fully described in the Company's books and records; provided , that for all purposes hereof (and any other agreement (e.g. , the Trust Agreement) that incorporates the meaning of the term "Firm Collateral" by reference), references to "Firm Collateral" shall include "Special Firm Collateral", excluding references to "Firm Collateral" in Section 4.1(d)(v) and Section 4.1(d)(viii).

" Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(v)(B) with respect to Firm Collateral, and Section 4.1(d)(viii)(B) with respect to Special Firm Collateral.

" Fiscal Year " shall mean a calendar year, or any other period chosen by the Managing Member.

" Fund GP " means the Company and the Other Fund GPs.

" GAAP " has the meaning specified in Section 5.1(b).

" Giveback " shall mean an "Investment - Specific Giveback", as such term is defined in the BREP IV Partnership Agreement.

" Giveback Amount " shall mean an "Investment - Specific Giveback Amount", as such term is defined in the BREP IV Partnership Agreement.

" Giveback Provisions " shall mean paragraph 3.4.3 of the BREP IV Partnership Agreement and any other similar provisions in any other BREP IV Agreement existing heretofore or hereafter entered into.

" Holdback " has the meaning set forth in Section 4.1(d)(i).

" Holdback Percentage " has the meaning set forth in Section 4.1(d)(i).

" Holdback Vote " has the meaning set forth in Section 4.1(d)(iv)(A).

" Holdings " has the meaning set forth in the preamble hereto.

" Incompetence " means, with respect to any Member, determination by the Managing Member in its sole discretion, after consultation with a qualified medical doctor, that such Member is incompetent to manage his person or his property.

" Inflation Index " means (i) the GNP deflator, which is the fixed-weighted price index representing the average change in the United States gross national product as published in the Survey of Current Business by the National Income and Wealth Division of the Bureau of Economic Analysis of the U.S. Department of Commerce, or (ii) such other index measuring changes in economic prices in the United States as shall be selected by the Managing Member.

" Initial Holdback Percentages " has the meaning set forth in Section 4.1(d)(i).

" Interest " means a limited liability company interest (as defined in § 18-101(8) of the LLC Act) in the Company, including those that are held by a Retaining Withdrawn Member.

" Investment " means any investment (direct or indirect) of the Company designated by the Managing Member from time to time as an investment in which the Members' respective interests shall be established and accounted for on a basis separate from the Company's other businesses, activities and investments, including BREP IV Investments.

" Investor Special Member " means any Special Member so designated at the time of its admission by the Managing Member as a Member of the Company.

" L/C " has the meaning set forth in Section 4.1(d)(vi).

" L/C Member " has the meaning set forth in Section 4.1(d)(vi).

" LLC Act " means the Delaware Limited Liability Company Act, 6 Del.C. § 18-101, et seq. , as it may be amended from time to time, and any successor to such Act.

" Loss Amount " has the meaning set forth in Section 5.8(e)(i)(A).

" Loss Investment " has the meaning set forth in Section 5.8(e)(i).

" Majority in Interest of the Members " on any date (a " vote date ") means one or more persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date and who, as of the last day of the most recent accounting period

ending on or prior to the vote date (or as of such later date on or prior to the vote date selected by the Managing Member as of which the Members' capital account balances can be determined), have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date.

" Managing Member " has the meaning specified in the preamble hereto.

" Member " means any person who is a member of the Company, including the Regular Members, the Managing Member and the Special Members. Except as otherwise specifically provided herein, no group of Members, including the Special Members and any group of Members in the same Member Category, shall have any right to vote as a class on any matter relating to the Company, including, but not limited to, any merger, reorganization, dissolution or liquidation.

" Member Category " shall mean the Managing Member, Existing Members, Retaining Withdrawn Members or Deceased Members, each referred to as a group for purposes hereof.

" Moody's " means Moody's Investors Services, Inc., or any successor thereto.

" Net Carried Interest Distribution " has the meaning set forth in Section 5.8(d)(i)(C).

" Net Carried Interest Distribution Recontribution Amount " has the meaning set forth in Section 5.8(e)(i).

" Net Income (Loss) " has the meaning set forth in Section 5.1(b).

" Net Recontribution Amount " has the meaning set forth in Section 5.8(d)(i)(A).

" Non-Carried Interest " means, with respect to each Investment, all amounts of distributions, other than Carried Interest, received by the Company with respect to such Investment, less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto, in each case which the Managing Member may allocate to all or any portion of the Investments as it may determine in good faith is appropriate.

" Non-Carried Interest Sharing Percentage " means, with respect to each Investment, the percentage interest of a Member in Non-Carried Interest from such Investment set forth in the books and records of the Company.

" Non-Contingent " means generally not subject to repurchase rights or other requirements.

" Nonvoting Special Member " has the meaning set forth in Section 6.1(a).

" Other Fund GPs " means BREMA IV, BREA IV, BRECA IV, and any other entity (other than the Company) through which any Member, Withdrawn Member or any other person directly receives any amounts of Carried Interest, and any successor thereto; provided , that this includes any other entity which has in its organizational documents a provision which indicates that it is a "Fund GP" or an "Other Fund GP"; provided further , that notwithstanding any of the foregoing, none of Holdings, any estate planning vehicle established for the benefit of family

members of any Member or any member or partner of any Other Fund GP shall be considered an "Other Fund GP" for purposes hereof; provided further , that the foregoing exclusion of such estate planning vehicles shall in no way limit such Members' obligations pursuant to Section 5.8(d).

" Parallel Fund " means any additional collective investment vehicles (or other similar arrangements) formed pursuant to paragraph 2.8 of the BREP IV Partnership Agreement.

" Profit Sharing Percentage " means the "Carried Interest Sharing Percentage" and "Non-Carried Interest Sharing Percentage" of each Member; provided , that any references in this Agreement to Profit Sharing Percentages made (a) in connection with voting or voting rights or (b) capital contributions with respect to Investments shall mean the "Non-Carried Interest Sharing Percentage" of each Member; provided further , that any reference in this Agreement to Profit Sharing Percentages that specifically refers to Net Income unrelated to BREP IV shall continue to refer to the amount of each Member's percentage interest in a category of Net Income (Loss) established by the Managing Member from time to time pursuant to Section 5.3.

" Qualifying Fund " means any fund designated by the Managing Member as a "Qualifying Fund".

" Recontribution Amount " has the meaning set forth in Section 5.8(d)(i)(A).

" Regular Member " shall mean any Member, but excluding the Managing Member and any Special Member.

" Repurchase Period " has the meaning set forth in Section 5.8(c).

" Required Rating " has the meaning set forth in Section 4.1(d)(vi).

" Retaining Withdrawn Member " shall mean a Withdrawn Member who has retained an Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Member shall be considered a Nonvoting Special Member for all purposes hereof.

" Securities " means any debt or equity securities of an Issuer and its subsidiaries and other Controlled Entities constituting part of an Investment, including without limitation common and preferred stock and interests in limited partnerships or limited liability companies (including warrants, rights, put and call options and other options relating thereto or any combination thereof), notes, bonds, debentures, trust receipts and other obligations, instruments or evidences of indebtedness, choses in action, other property or interests commonly regarded as securities, interests in real property, whether improved or unimproved, interests in oil and gas properties and mineral properties, short-term investments commonly regarded as money-market investments, bank deposits and interests in personal property of all kinds, whether tangible or intangible.

" Settlement Date " has the meaning set forth in Section 6.5(a)(ii).

" SMD Agreements " means the agreements between the Company and/or one or more of its affiliates and the Members, pursuant to which each Member undertakes certain obligations with respect to the Company and/or its affiliates. The SMD Agreements are hereby incorporated by reference as between the Company and the relevant Member.

" Special Firm Collateral " means interests in a Qualifying Fund or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) as more fully described in the Company's books and records.

" Special Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(viii)(B).

" Special Member " means any person shown on the books and records of the Company as a Special Member of the Company, including any Nonvoting Special Member, and any Investor Special Member.

" S&P " means Standard & Poor's Ratings Group, and any successor thereto.

" Subject Investment " has the meaning set forth in Section 5.8(e).

" Subject Member " has the meaning set forth in Section 4.1(d)(iv)(A).

" Total Disability " means the inability of a Member substantially to perform the services required of a Regular Member for a period of six consecutive months by reason of physical or mental illness or incapacity and whether arising out of sickness, accident or otherwise.

" Trust Account " has the meaning set forth in the Trust Agreement.

" Trust Agreement " means the Trust Agreement, dated as of September 9, 2002, as amended to date, among the Members, the Trustee(s) and certain other persons that may receive distributions in respect of or relating to Carried Interest from time to time.

" Trust Amount " has the meaning set forth in the Trust Agreement.

" Trust Income " has the meaning set forth in the Trust Agreement.

" Trustee(s) " has the meaning set forth in the Trust Agreement.

" Unadjusted Carried Interest Distributions " has the meaning set forth in Section 5.8(e)(i)(B).

" Unallocated Percentage " has the meaning set forth in Section 5.3(b).

" Unrealized Net Income (Loss) " attributable to any BREP IV Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such BREP IV Investment if BREP IV's entire portfolio of investments were sold on such date for cash in an amount equal to their aggregate value on such date (determined in accordance with Section 5.1(e)) and all distributions payable by BREP IV to the Company (indirectly) pursuant to the BREP IV Partnership Agreement with respect to such BREP IV Investment were made on such date. "Unrealized Net Income (Loss)" attributable to any other Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such Investment if such Investment were sold on such date for cash in an amount equal to its value on such date (determined in accordance with Section 5.1(e)).

" Withdraw " or " Withdrawal " with respect to a Member means a Member ceasing to be a member of the Company (except as a Retaining Withdrawn Member) for any reason (including

death, disability, removal, resignation or retirement, whether such is voluntary or involuntary), unless the context shall limit the type of withdrawal to a specific reason, and "Withdrawn" with respect to a Member means, as aforesaid, a Member who has ceased to be a member of the Company.

" Withdrawal Date " has the meaning set forth in Section 6.5(a)(ii).

" Withdrawn Member " has the meaning set forth in Section 6.5(a)(i).

SECTION 1.2. Terms Generally . The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The term "person" includes individuals, partnerships (including limited liability partnerships), companies (including limited liability companies), joint ventures, corporations, trusts, governments (or agencies or political subdivisions thereof) and other associations and entities. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

GENERAL PROVISIONS

SECTION 2.1. Managing, Regular and Special Members . The Members may be Managing Members, Regular Members or Special Members (including Nonvoting Special Members and Investor Special Members). The Managing Member as of the date hereof is Holdings. The Regular Members as of the date hereof are those persons shown as Regular Members on the signature pages hereof, and the Special Members as of the date hereof are persons shown as Special Members on the signature pages hereof.

SECTION 2.2. Formation; Name; Foreign Jurisdictions . The Company was formed and is hereby continued as a limited liability company pursuant to the LLC Act and shall continue to conduct its activities under the name of BREA IV L.L.C. The certificate of formation of the Company may be amended and/or restated from time to time by the Managing Member, as an "authorized person" (within the meaning of the LLC Act). The Managing Member is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

SECTION 2.3. Term . The term of the Company shall continue until December 31, 2052, unless earlier dissolved and its affairs wound up in accordance with this Agreement.

SECTION 2.4. Purpose; Powers . (a) The purpose of the Company shall be, directly or indirectly through subsidiaries or affiliates, (i) to serve as a general partner of BREMA IV and BRECA IV and perform the functions of the general partner specified in the BREMA IV Partnership Agreement and a general partner specified in the BRECA IV Partnership Agreement, (ii) to serve as a general partner or limited partner of other partnerships and perform the functions of a general partner or limited partner, as the case may be, specified in the partnership agreement of each such other partnership, (iii) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the Managing Member and as are permitted under the LLC Act and the BREMA IV Partnership Agreement, the BRECA IV Partnership Agreement and any other partnership agreement referred to in clause (ii) above, (iv) any other lawful purpose, and (v) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purpose, the Company shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, as principal or agent, including the following:

(i) to buy, sell and otherwise acquire investments, whether such investments are readily marketable or not;

(ii) to invest and reinvest the cash assets of the Company in money-market or other short-term investments;

(iii) to hold, receive, mortgage, pledge, lease, transfer, exchange or otherwise dispose of, grant options with respect to, and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to, all property held or owned by the Company;

(iv) to borrow or raise money from time to time and to issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and non-negotiable instruments and evidences of indebtedness, to secure payment of the principal of any such indebtedness and the interest thereon by mortgage, pledge, conveyance or assignment in trust of, or the granting of a security interest in, the whole or any part of the property of the Company, whether at the time owned or thereafter acquired, to guarantee the obligations of others and to buy, sell, pledge or otherwise dispose of any such instrument or evidence of indebtedness;

(v) to lend any of its property or funds, either with or without security, at any legal rate of interest or without interest;

(vi) to have and maintain one or more offices within or without the State of Delaware, and in connection therewith, to rent or acquire office space, engage personnel and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(vii) to open, maintain and close accounts, including margin accounts, with brokers;

(viii) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys;

(ix) to engage accountants, auditors, custodians, investment advisers, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate any of them as may be necessary or advisable;

(x) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, to form or cause to be formed and to participate in partnerships and joint ventures, whether foreign or domestic and to form or cause to be formed and be a member or manager or both of one or more limited liability companies;

(xi) to enter into, make and perform all contracts, agreements and other undertakings as may be necessary, convenient, advisable or incident to carrying out its purposes;

(xii) to sue and be sued, to prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment to claims against the Company, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xiii) to distribute, subject to the terms of this Agreement, at any time and from time to time to the Members cash or investments or other property of the Company, or any combination thereof; and

(xiv) to take such other actions necessary, desirable, convenient or incidental thereto and to engage in such other businesses as may be permitted under Delaware law.

SECTION 2.5. Place of Business . The Company shall maintain an office and principal place of business at 345 Park Avenue, New York, New York 10154 or such other place or places as the Managing Member may designate from time to time. The Company shall maintain a registered office at The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The name and address of the Company's registered agent is The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The Managing Member may from time to time change the registered agent or office by an amendment to the certificate of formation of the Company.

ARTICLE III

MANAGEMENT

SECTION 3.1. Managing Member . (a) Holdings shall be an original managing member (the " Managing Member "). The Managing Member shall cease to be the Managing Member only if it (i) Withdraws from the Company for any reason, (ii) consents in its sole discretion to resign as the Managing Member, or (iii) becomes the subject of a Final Event. The Managing Member may not be removed without its consent. There may be one or more Managing Members. In the event that one or more other Managing Members is admitted to the Company as such, all references herein to the "Managing Member" in the singular form shall be deemed to also refer to such other Managing Members as may be appropriate. The relative rights and responsibilities of such Managing Members will be as agreed upon from time to time between them.

(b) Upon the Withdrawal from the Company or voluntary resignation of the remaining Managing Member, all of the powers formerly vested therein pursuant to this Agreement and the LLC Act shall be exercised by a Majority in Interest of the Members.

SECTION 3.2. Member Voting, etc . (a) Meetings of the Members may be called only by the Managing Member.

(b) Except as otherwise expressly provided herein and except as may be expressly required by the LLC Act, Special Members as such shall have no right to, and shall not, take part in the management or control of the Company's business or act for or bind the Company, and shall have only the rights and powers granted to Special Members herein.

(c) To the extent a Member is entitled to vote with respect to any matter relating to the Company, such Member shall not be obligated to abstain from voting on any matter (or vote in any particular manner) because of any interest (or conflict of interest) of such Member (or any affiliate thereof) in such matter.

SECTION 3.3. Management . (a) The management, control and operation of the Company and the formulation and execution of business and investment policy shall be vested in the Managing Member. The Managing Member shall, in its discretion, exercise all powers necessary and convenient for the purposes of the Company, including those enumerated in Section 2.4, on behalf and in the name of the Company. All decisions and determinations (howsoever described herein) to be made by the Managing Member pursuant to this Agreement shall be made in its sole discretion, subject only to the express terms and conditions of this Agreement.

(b) The Managing Member and any other person designated by the Managing Member, each acting individually, is hereby authorized and empowered, as an authorized person of the Company or an authorized person of the Managing Member, in each case within the meaning of the LLC Act, or otherwise (the Managing Member hereby authorizing and ratifying any of the following actions):

(i) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company and/or in the name and on behalf of the Company as general partner of each Partnership (as hereinafter defined)) any agreement of the Company (including, without limitation, any Partnership Agreement (as hereinafter defined)) or of any Partnership (and any amendments, restatements and/or supplements thereof), the certificate of formation of the Company (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of each Partnership (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Company or any Partnership to qualify to do business in a jurisdiction in which the Company or such Partnership desires to do business;

(ii) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company and/or in the name and on behalf of Company as general partner of BREMA IV in its capacity as general partner of each Blackstone Partnership (as hereinafter defined)) any agreement of BREMA IV (including, without limitation, each Blackstone Partnership Agreement (as hereinafter defined)) or of any Blackstone Partnership (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of each Blackstone Partnership (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for any Blackstone Partnership to qualify to do business in a jurisdiction in which such Blackstone Partnership desires to do business;

(iii) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as general partner of BREMA IV in its capacity as general partner of BREA IV in its capacity as general partner of BREP IV) any agreement of BREA IV (including, without limitation, any BREP IV Agreement) or of BREP IV (and any amendments, restatements and/or supplements thereof), the certificates of limited partnership of BREP IV (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for BREP IV to qualify to do business in a jurisdiction in which BREP IV desires to do business;

(iv) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as general partner of BREMA IV in its capacity as general partner of BREA IV in its capacity as general partner of each Blackstone Entity) any agreement of BREA IV (including, without limitation, each Blackstone Entity Agreement) or of any Blackstone Entity (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of each Blackstone Entity (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for any Blackstone Entity to qualify to do business in a jurisdiction in which such Blackstone Entity desires to do business;

(v) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action in the name and on behalf of the Company and/or in the name and on behalf of the Company as general partner of each Partnership) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of the Company's or such Partnership's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of the Company and/or such Partnership, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of the Company or such Partnership, and all checks, notes, drafts and other documents of the Company or such Partnership that may be required in connection with any such bank account or any banking facilities or services that may be utilized by the Company or such Partnership, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and the Managing Member, the Company and any Partnership, as applicable, for all purposes), and (E) any amendments, restatements and/or supplements of any of the foregoing;

(vi) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company and/or in the name and on behalf of the Company as general partner BREMA IV in its capacity as a general partner of each Blackstone Partnership) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of BREMA IV's or such Blackstone Partnership's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of BREMA IV and/or such Blackstone Partnership, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of BREMA IV or such Blackstone Partnership, and all checks, notes, drafts and other documents of BREMA IV or such Blackstone Partnership that may be required in connection with any such bank account or any banking facilities or services that may be utilized by BREMA IV or such Blackstone Partnership, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and the Managing Member, the Company, BREMA IV or any Blackstone Partnership, as applicable, for all purposes), and (E) any amendments, restatements and/or supplements of any of the foregoing;

(vii) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as general partner of BREMA IV in its capacity as

general partner of BREA IV in its capacity as general partner of BREP IV) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of BREA IV's or BREP IV's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of BREA IV and/or BREP IV, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of BREA IV and/or BREP IV, and all checks, notes, drafts and other documents of BREA IV and/or BREP IV that may be required in connection with any such bank account or any banking facilities or services that may be utilized by BREA IV and/or BREP IV, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and the Managing Member, the Company, BREMA IV, BREA IV or BREP IV, as applicable, for all purposes), and (E) any amendments, restatements and/or supplements of any of the foregoing; and

(viii) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as general partner of BREMA IV in its capacity as general partner of BREA IV in its capacity as general partner of each Blackstone Entity) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of any Blackstone Entity's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of any Blackstone Entity, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of any Blackstone Entity, and all checks, notes, drafts and other documents of any Blackstone Entity that may be required in connection with any such bank account or any banking facilities or services that may be utilized by any Blackstone Entity, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3 (b), each acting individually, shall be deemed to have been adopted by the Members and the Managing Member, the Company, BREMA IV, BREA IV or any Blackstone Entity, as applicable, for all purposes, and (E) any amendments, restatements and/or supplements of any of the foregoing.

The authority granted to any person (other than the Managing Member) in this Section 3.3(b) may be revoked at any time by the Managing Member by an instrument in writing signed by the Managing Member. As used in this Section 3.3(b), the following terms have the following meanings: " Blackstone Entities " means, collectively, Blackstone Real Estate Capital Commitment Partners IV L.P., BREH IV and any other limited partnership of which BREA IV is the general partner. " Blackstone Entity Agreements " means, collectively, the limited partnership agreements, as amended, restated and/or supplemented, of the Blackstone Entities. " Blackstone Partnerships " means, collectively, BREA IV, Blackstone RE Capital Commitment Partners IV L.P., Blackstone Family Real Estate Partnership IV L.P. and any other limited partnership of which BREMA IV is the general partner, " Blackstone Partnership Agreements " means, collectively, the limited partnership agreements, as amended, restated and/or supplemented, of the Blackstone Partnerships. " Partnerships " means, collectively, BREMA IV, BRECA IV and any other limited partnership of which the Company is the general partner. " Partnership Agreements " means, collectively, the limited partnership agreements, as amended, restated and/or supplemented, of the Partnerships.

SECTION 3.4. Responsibilities of Members . (a) Unless otherwise determined by the Managing Member in a particular case, each Regular Member shall devote substantially all his time and attention to the businesses of the Company and its affiliates, and each Special Member shall not be required to devote any time or attention to the businesses of the Company or its affiliates.

(b) All outside business or investment activities of the Members shall be subject to such rules and regulations as are established by the Managing Member from time to time.

(c) The Managing Member may from time to time establish such other rules and regulations applicable to Members or other employees as the Managing Member deems appropriate, including rules governing the authority of Members or other employees to bind the Company to financial commitments or other obligations.

SECTION 3.5. Exculpation and Indemnification . (a) Liability to Members . Notwithstanding any other provision of this Agreement, whether express or implied, to the fullest extent permitted by law, no Member nor any of such Member's representatives, agents or advisors nor any partner, member, officer, employee, representative, agent or advisor of the Company or any of its Affiliates (individually, a " Covered Person " and collectively, the " Covered Persons ") shall be liable to the Company or any other Member for any act or omission (in relation to the Company, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) taken or omitted by a Covered Person (other than any act or omission constituting Cause), unless there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful. Each Covered Person shall be entitled to rely in good faith on the advice of legal counsel to the Company, accountants and other experts or professional advisors, and no action taken by any Covered Person in reliance on such advice shall in any event subject such person to any liability to any Member or the Company. To the extent that, at law or in equity, a Member has duties (including fiduciary duties) and liabilities relating thereto to the Company or to another Member, to the fullest extent permitted by law, such Member acting under this Agreement shall not be liable to the Company or to any such other Member for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of a Member otherwise existing at law or in equity, are agreed by the Members, to the fullest extent permitted by law, to modify to that extent such other duties and liabilities of such Member.

(b) Indemnification . To the fullest extent permitted by law, the Company shall indemnify and hold harmless (but only to the extent of the Company's assets (including, without limitation, the remaining Commitments of the Members) each Covered Person from and against any and all claims, damages, losses, costs, expenses and liabilities (including, without limitation, amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim), joint and several, of any nature whatsoever, known or unknown, liquidated or unliquidated (collectively, " Losses "), arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of such Covered Person's management of the affairs of the Company or which relate to or arise out of or in connection with the Company, its property, its business or affairs (other than claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, arising out of any act or omission of such Covered Person constituting Cause); provided , that a Covered Person shall not be entitled to indemnification under this Section with respect to any claim, issue or matter if there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interest of the Company and within the authority granted to

such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful; provided further , that if such Covered Person is a Member or a Withdrawn Member, such Covered Person shall bear its share of such Losses in accordance with such Covered Person's Profit Sharing Percentage in the Company as of the time of the actions or omissions that gave rise to such Losses. To the fullest extent permitted by law, expenses (including legal fees) incurred by a Covered Person (including, without limitation, the Managing Member) in defending any claim, demand, action, suit or proceeding may, with the approval of the Managing Member, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of a written undertaking by or on behalf of the Covered Person to repay such amount to the extent that it shall be subsequently determined that the Covered Person is not entitled to be indemnified as authorized in this Section, and the Company and its Affiliates shall have a continuing right of offset against such Covered Person's interests/investments in the Company and such Affiliates and shall have the right to withhold amounts otherwise distributable to such Covered Person to satisfy such repayment obligation. If a Member institutes litigation against a Covered Person which gives rise to an indemnity obligation hereunder, such Member shall be responsible, up to the amount of such Member's Interests and remaining Commitment, for such Member's pro rata share of the Company's expenses related to such indemnity obligation, as determined by the Managing Member. The Company may purchase insurance, to the extent available at reasonable cost, to cover losses, claims, damages or liabilities covered by the foregoing indemnification provisions. Members will not be personally obligated with respect to indemnification pursuant to this Section.

SECTION 3.6. Tax Representation . Each Regular and Special Member certifies that (A) if the Member is a United States person (as defined in the Code) (x) (i) the Member's name, social security number (or, if applicable, employer identification number) and address provided to the Company and its affiliates pursuant to an IRS Form W-9, Payer's Request for Taxpayer Identification Number Certification (" W-9 ") or otherwise are correct and (ii) the Member will complete and return a W-9, and (y) (i) the Member is a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of a change to foreign (non-United States) status or (B) if the Member is not a United States person (as defined in the Code) (x) (i) the information on the completed IRS Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding (" W-8BEN ") or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Partnership, or Certain U.S. Branches for United States Tax Withholding (" W-8IMY "), or otherwise is correct and (ii) the Member will complete and return the applicable IRS form, including but not limited to a W-8BEN or W-8IMY, and (y) (i) the Member is not a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of any change of such status. The Member agrees to properly execute and provide to the Company in a timely manner any tax documentation that may be reasonably required by the Managing Member.

ARTICLE IV

CAPITAL OF THE COMPANY

SECTION 4.1. Capital Contributions by Members . (a) Except as agreed by the Managing Member and a Regular Member, such Regular Member shall not be required to make capital contributions equal to the Required Amounts as determined by the Managing Member from time to time; provided , that (i) such additional capital contributions may be made *pro rata* among the Regular Members based upon the allocation of the Carried Interest in each BREP IV Investment by the Managing Member and (ii) additional capital contributions in excess of the Required Amounts which are to be used for ongoing business operations (as distinct from financing, legal or other specific liabilities of the Company (including those specifically set forth in Sections 4.1(d) and 5.8(d)) shall be determined by the Managing

Member in its sole discretion. Special Members shall not be required to make additional capital contributions to the Company except (i) as a condition of an increase in such Special Member's Profit Sharing Percentage or (ii) as specifically set forth in this Agreement or as determined by the Managing Member; provided , that the Managing Member and any Special Member may agree from time to time that such Special Member shall make an additional capital contribution to the Company; provided further , that each Investor Special Member shall maintain its capital account at a level equal to the product of (i) its Profit Sharing Percentage from time to time and (ii) the total capital of the Company.

(b) Each capital contribution by a Member shall be credited to the appropriate capital account of such Member in accordance with Section 5.2.

(c) The Managing Member may elect on a case by case basis to (i) cause the Company to loan any Member (including any additional Member admitted to the Company pursuant to Section 6.1) the amount of any capital contribution required to be made by such Member or (ii) permit any Member (including any additional Member admitted to the Company pursuant to Section 6.1 but excluding any Members that are also executive officers of The Blackstone Group L.P.) to make a required capital contribution to the Company in installments in kind, in each case on terms (including valuation of contributed property in the case of in kind contributions permitted by the Managing Member) determined by the Managing Member.

(d) (i) The Members and the Withdrawn Members have entered into the Trust Agreement, pursuant to which certain amounts of the distributions relating to the Carried Interest will be paid to the Trustee(s) for deposit in the Trust Account (such amounts to be paid to the Trustee(s) for deposit in the Trust Account constituting a " Holdback "). The Managing Member shall determine, as set forth below, the percentage of each distribution of Carried Interest that shall be withheld for each Member Category (such withheld percentage constituting such Member Category's " Holdback Percentage "). The applicable Holdback Percentages initially shall be 0% for the Managing Member, 15% for Existing Members, 21% for Retaining Withdrawn Members and 24% for Deceased Members (the " Initial Holdback Percentages ").

(ii) The Holdback Percentage may not be reduced for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may only reduce the Holdback Percentages among the Member Categories on a proportionate basis. For example, if the Holdback Percentage for Existing Members is decreased to 12.5%, the Holdback Percentage for Retaining Withdrawn Members and Deceased Members shall be reduced to 17.5% and 20%, respectively. Any reduction in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such reduction.

(iii) The Holdback Percentage may not be increased for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may not increase the Retaining Withdrawn Members' Holdback Percentage beyond 21% unless the Managing Member concurrently increases the Existing Members' Holdback Percentage to the Holdback Percentage of the Retaining Withdrawn Members. The Managing Member may not increase the Deceased Members' Holdback Percentage beyond 24% unless the Managing Member increases the Holdback Percentage for both Existing Members and Retaining Withdrawn Members to 24%. The Managing Member may not increase the Holdback Percentage of any Member Category beyond 24% unless such increase applies equally to all Member Categories. Any increase in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such increase. The foregoing shall in no way prevent the Managing Member from proportionately increasing the Holdback Percentage of any Member Category (following a reduction of the Holdback Percentages below the Initial Holdback Percentages), if the resulting Holdback

Percentages are consistent with the above. For example, if the Managing Member reduces the Holdback Percentages for Existing Members, Retaining Withdrawn Members and Deceased Members to 12.5%, 17.5% and 20%, respectively, the Managing Member shall have the right to subsequently increase the Holdback Percentages to the Initial Holdback Percentages.

(iv) (A) Notwithstanding anything contained herein to the contrary, the Company may increase or decrease the Holdback Percentage for any Member in any Member Category (in such capacity, the " Subject Member ") pursuant to a majority vote of the Regular Members (a " Holdback Vote "); provided , that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to the Managing Member shall not be increased or decreased without its prior written consent; provided further , that a Subject Member's Holdback Percentage shall not be (I) increased prior to such time as such Subject Member (x) is notified by the Company of the decision to increase such Subject Member's Holdback Percentage and (y) has, if requested by such Subject Member, been given 30 days to gather and provide information to the Company for consideration before a second Holdback Vote (requested by the Subject Member) or (II) decreased unless such decrease occurs subsequent to an increase in a Subject Member's Holdback Percentage pursuant to a Holdback Vote under this clause (iv); provided further , that such decrease shall not exceed an amount such that such Subject Member's Holdback Percentage is less than the prevailing Holdback Percentage for the Member Category of such Subject Member; provided further , that a Member shall not vote to increase a Subject Member's Holdback Percentage unless such voting Member determines, in his good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Member, or any of his successors or assigns (including his estate or heirs) who at the time of such vote holds the Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any Recontribution Amounts that may become due .

(B) A Holdback Vote shall take place at a Company meeting. Each Regular Member shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Regular Member's interest in the Company. Such vote may be cast by any Regular Member in person or by proxy.

(C) If the result of the second Holdback Vote is an increase in a Subject Member's Holdback Percentage, such Subject Member may submit the decision to an arbitrator, the identity of which is mutually agreed upon by both the Subject Member and the Company; provided , that if the Company and the Subject Member cannot agree upon a mutually satisfactory arbitrator within 10 days of the second Holdback Vote, each of the Company and the Subject Member shall request their candidate for arbitrator to select a third arbitrator satisfactory to such candidates; provided further , that if such candidates fail to agree upon a mutually satisfactory arbitrator within 30 days of such request, the then sitting President of the American Arbitration Association shall unilaterally select the arbitrator. Each Subject Member that submits the decision of the Company pursuant to the second Holdback Vote to arbitration and the Company shall estimate their reasonably projected out-of-pocket expenses relating thereto, and each such party shall, to the satisfaction of the arbitrator and prior to any determination being made by the arbitrator, pay the total of such estimated expenses (i.e., both the Subject Member's and the Company's expenses) into an escrow account to be controlled by Simpson Thacher & Bartlett LLP, as escrow agent (or such other comparable law firm as the Company and the Subject Member shall agree). The arbitrator shall direct the escrow agent to pay out of such escrow account all expenses associated with such arbitration (including costs leading thereto) and to return to the "victorious" party the entire amount of funds such party paid into such escrow account. If the amount contributed to the escrow account by the losing party is insufficient to cover the expenses of such arbitration, such "losing" party shall then provide any additional funds necessary to cover such costs to such "victorious" party. For purposes hereof, the "victorious" party shall be the Company if the Holdback Percentage ultimately determined by the arbitrator is closer to the percentage determined in the second Holdback Vote than it is to the

prevailing Holdback Percentage for the Subject Member's Member Category; otherwise, the Subject Member shall be the "victorious" party. The party that is not the "victorious" party shall be the "losing" party.

(D) In the event of a decrease in a Subject Member's Holdback Percentage (1) pursuant to a Holdback Vote under this clause (iv) or (2) pursuant to a decision of an arbitrator under paragraph (C) of this clause (iv), the Company shall release and distribute to such Subject Member any Trust Amounts (and the Trust Income thereon (except as expressly provided herein with respect to using Trust Income as Firm Collateral)) which exceed the required Holdback of such Subject Member (in accordance with such Subject Member's reduced Holdback Percentage) as though such reduced Holdback Percentage had applied since the increase of the Subject Member's Holdback Percentage pursuant to a previous Holdback Vote under this clause (iv).

(v) (A) If a Member's Holdback Percentage exceeds 15% (such percentage in excess of 15% constituting the " Excess Holdback Percentage "), such Member may satisfy the portion of his Holdback obligation in respect of his Excess Holdback Percentage (such portion constituting such Member's " Excess Holdback "), and such Member (or a Withdrawn Member with respect to amounts contributed to the Trust Account while he was a Member), to the extent his Excess Holdback obligation has previously been satisfied in cash, may obtain the release of the Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) satisfying such Member's or Withdrawn Member's Excess Holdback obligation, by pledging or otherwise making available to the Company, on a first priority basis (except as provided below), all or any portion of his Firm Collateral in satisfaction of his Excess Holdback obligation. Any Member seeking to satisfy all or any portion of the Excess Holdback utilizing Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Company to realize on (if required), such Firm Collateral; provided , that, in the case of entities listed in the Company's books and records in which Members are permitted to pledge their interests therein to finance all or a portion of their capital contributions thereto (" Pledgable Blackstone Interests "), to the extent a first priority security interest is unavailable because of an existing lien on such Firm Collateral, the Member or Withdrawn Member seeking to utilize such Firm Collateral shall grant the Company a second priority security interest therein in the manner provided above; provided further , that (x) in the case of Pledgable Blackstone Interests, to the extent that neither a first priority nor a second priority security interest is available, or (y) if the Managing Member otherwise determines in its good faith judgment that a security interest in Firm Collateral (and the corresponding documents and actions) are not necessary or appropriate, the Member or Withdrawn Member shall (in the case of either clause (x) or (y) above) irrevocably instruct in writing the relevant partnership, limited liability company or other entity listed in the Company's books and records to remit any and all net proceeds resulting from a Firm Collateral Realization on such Firm Collateral to the Trustee(s) as more fully provided in clause (B) below. The Company shall, at the request of any Member or Withdrawn Member, assist such Member or Withdrawn Member in taking such action necessary to enable such Member or Withdrawn Member to use Firm Collateral as provided hereunder.

(B) If upon a sale or other realization of all or any portion of any Firm Collateral (a " Firm Collateral Realization "), the remaining Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement, then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Firm Collateral Realization (including distributions subject to the repayment of financing sources as in the case of Pledgable Blackstone Interests) shall be paid into the Trust Account to fully satisfy such Excess Holdback requirement (allocated to such Member or Withdrawn Member) and shall be deemed to be Trust Amounts for purposes hereunder. Any net proceeds from such Firm Collateral Realization in excess of the amount necessary to satisfy such Excess Holdback requirement shall be distributed to such Member or Withdrawn Member.

(C) Upon any valuation or revaluation of Firm Collateral that results in a decreased valuation of such Firm Collateral so that such Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement (including upon a Firm Collateral Realization, if net proceeds therefrom and the remaining Firm Collateral are insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement), the Company shall provide notice of the foregoing to such Member or Withdrawn Member and such Member or Withdrawn Member shall, within 30 days of receiving such notice, contribute cash (or additional Firm Collateral) to the Trust Account in an amount necessary to satisfy his Excess Holdback requirement. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.7(d)(ii) shall apply thereto; provided , that clause (A) of the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to a default under this clause (C); provided further , that for purposes of applying Section 5.8(d)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(vi) Any Member or Withdrawn Member may (A) obtain the release of any Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) or Firm Collateral, in each case, held in the Trust Account for the benefit of such Member or Withdrawn Member or (B) require the Company to distribute all or any portion of amounts otherwise required to be placed in the Trust Account (whether cash or Firm Collateral), by obtaining a letter of credit (an " L/C ") for the benefit of the Trustee(s) in such amounts. Any Member or Withdrawn Member choosing to furnish an L/C to the Trustee(s) (in such capacity, an " L/C Member ") shall deliver to the Trustee(s) an unconditional and irrevocable L/C from a commercial bank whose (x) short-term deposits are rated at least A-1 by S&P and P-1 by Moody's (if the L/C is for a term of 1 year or less), or (y) long-term deposits are rated at least A+ by S&P or A1 by Moody's (if the L/C is for a term of 1 year or more) (each a " Required Rating "). If the relevant rating of the commercial bank issuing such L/C drops below the relevant Required Rating, the L/C Member shall supply to the Trustee(s), within 30 days of such occurrence, a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, in lieu of the insufficient L/C. In addition, if the L/C has a term expiring on a date earlier than the latest possible termination date of BREP IV, the Trustee(s) shall be permitted to drawdown on such L/C if the L/C Member fails to provide a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, at least 30 days prior to the stated expiration date of such existing L/C. The Trustee(s) shall notify an L/C Member 10 days prior to drawing on any L/C. The Trustee(s) may (as directed by the Company in the case of clause (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Member's obligation relating to the Company's obligations under the Clawback Provisions or (II) an L/C Member has not provided a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating (or the requisite amount of cash and/or Firm Collateral (to the extent permitted hereunder)), at least 30 days prior to the stated expiration of an existing L/C in accordance with this clause (vi). The Trustee(s), as directed by the Company, shall return to any L/C Member his L/C upon (1) the termination of the Trust Account and satisfaction of the Company's obligations, if any, in respect of the Clawback Provisions, (2) an L/C Member satisfying his entire Holdback obligation in cash and Firm Collateral (to the extent permitted hereunder), or (3) the release, by the Trustee(s), as directed by the Company, of all amounts in the Trust Account to the Members or Withdrawn Members. If an L/C Member satisfies a portion of his Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the Company, release a portion of the amounts in the Trust Account to the Members or Withdrawn Members in the Member Category of such L/C Member,

the L/C of an L/C Member may be reduced by an amount corresponding to such portion satisfied in cash and/or Firm Collateral (to the extent permitted hereunder) or such portion released by the Trustee(s), as directed by the Company; provided , that in no way shall the general release of any Trust Income cause an L/C Member to be permitted to reduce the amount of an L/C by any amount.

(vii) (A) Any in-kind distributions by the Company relating to Carried Interest shall be made in accordance herewith as though such distributions consisted of cash. The Company may direct the Trustee(s) to dispose of any in-kind distributions held in the Trust Account at any time. The net proceeds therefrom shall be treated as though initially contributed to the Trust Account.

(B) In lieu of the foregoing, any Existing Member may pledge with respect to any in-kind distribution the Special Firm Collateral referred to in asset category 6 in the Company's books and records; provided , that the initial contribution of such Special Firm Collateral shall initially equal 130% of the required Holdback Amount for a period of 90 days, and thereafter shall equal at least 115% of the required Holdback Amount. Paragraphs 4.1(d)(viii)(C) and (D) shall apply to such Special Firm Collateral. To the extent such Special Firm Collateral exceeds the applicable minimum percentage of the required Holdback Amount specified in the first sentence of this clause (vii)(B), the related Member may obtain a release of such excess amount from the Trust Account.

(viii) (A) Any Regular Member or Withdrawn Member may satisfy all or any portion of his Holdback (excluding any Excess Holdback), and such Member or a Withdrawn Member may, to the extent his Holdback (excluding any Excess Holdback) has been previously been satisfied in cash or by the use of an L/C as provided herein, obtain a release of Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) that satisfy such Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) by pledging to the Trustee(s) on a first priority basis all of his Special Firm Collateral in a particular Qualifying Fund, which at all times must equal or exceed the amount of the Holdback distributed to the Member or Withdrawn Member (as more fully set forth below). Any Member seeking to satisfy such Member's Holdback utilizing Special Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Trustee(s) to realize on (if required), such Special Firm Collateral.

(B) If upon a distribution, withdrawal, sale, liquidation or other realization of all or any portion of any Special Firm Collateral (a " Special Firm Collateral Realization "), the remaining Special Firm Collateral (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) is insufficient to cover any Member's or Withdrawn Member's Holdback (when taken together with other means of satisfying the Holdback as provided herein (i.e., cash contributed to the Trust Account or an L/C in the Trust Account)), then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Special Firm Collateral Realization (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund or other asset and is being used in connection with an Excess Holdback) shall be paid into the Trust (and allocated to such Member or Withdrawn Member) to fully satisfy such Holdback and shall be deemed thereafter to be Trust Amounts for purposes hereunder. Any net proceeds from such Special Firm Collateral Realization in excess of the amount necessary to satisfy such Holdback (excluding any Excess Holdback) shall be distributed to such Member or Withdrawn Member. To the extent a Qualifying Fund distributes Securities to a Member or Withdrawn Member in connection with a Special Firm Collateral Realization, such Member or Withdrawn Member shall be required to promptly fund such Member's or Withdrawn Member's deficiency with respect to his Holdback in cash or an L/C.

(C) Upon any valuation or revaluation of the Special Firm Collateral and/or any adjustment in the Applicable Collateral Percentage applicable to a Qualifying Fund (as provided in the Company's books and records), if such Member's or Withdrawn Member's Special Firm Collateral is valued at less than such Member's Holdback (excluding any Excess Holdback) as provided in the Company's books and records, taking into account other permitted means of satisfying the Holdback hereunder, the Company shall provide notice of the foregoing to such Member or Withdrawn Member and, within 10 business days of receiving such notice, such Member or Withdrawn Member shall contribute cash or additional Special Firm Collateral to the Trust Account in an amount necessary to make up such deficiency. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to such default; provided further , that for purposes of applying Section 5.8 (d)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(D) Upon a Member becoming a Withdrawn Member, at any time thereafter the Managing Member may revoke the ability of such Withdrawn Member to use Special Firm Collateral as set forth in this Section 4.1(d)(viii), notwithstanding anything else in this Section 4.1(d)(viii). In that case the provisions of clause (C) above shall apply to the Withdrawn Member's obligation to satisfy the Holdback (except that 30 days' notice of such revocation shall be given), given that the Special Firm Collateral is no longer available to satisfy any portion of the Holdback (excluding any Excess Holdback).

(E) Nothing in this Section 4.1(d)(viii) shall prevent any Member or Withdrawn Member from using any amount of such Member's interest in a Qualifying Fund as Firm Collateral; provided that at all times Section 4.1(d)(v) and this Section 4.1(d)(viii) are each satisfied.

SECTION 4.2. Interest . Interest on the balances of the Members' capital (excluding capital invested in Investments and, if deemed appropriate by the Managing Member, capital invested in any other investment of the Company) shall be credited to the Members' capital accounts at the end of each accounting period pursuant to Section 5.2, or at any other time as determined by the Managing Member, at rates determined by the Managing Member from time to time, and shall be charged as an expense of the Company.

SECTION 4.3. Withdrawals of Capital . The Members may not withdraw capital from the Company except (i) for distributions of cash or other property pursuant to Section 5.8, (ii) as otherwise expressly provided in this Agreement or (iii) as determined by the Managing Member.

ARTICLE V

PARTICIPATION IN PROFITS AND LOSSES

SECTION 5.1. General Accounting Matters . (a) Net Income (Loss) shall be determined by the Managing Member at the end of each accounting period and shall be allocated as described in Section 5.4.

(b) " Net Income (Loss) " from any activity of the Company for any accounting period means (i) the gross income realized by the Company from such activity during such accounting period less (ii) all expenses of the Company, and all other items that are deductible from gross income, for such accounting period that are allocable to such activity (determined as provided below).

" Net Income (Loss) " from any Investment for any accounting period in which such Investment has not been sold or otherwise disposed of means (i) the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) all expenses of the Company for such accounting period that are allocable to such Investment (determined as provided below).

" Net Income (Loss) " from any Investment for the accounting period in which such Investment is sold or otherwise disposed of means (i) the sum of the gross proceeds from the sale or other disposition of such Investment and the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) the sum of the cost or other basis to the Company of such Investment and all expenses of the Company for such accounting period that are allocable to such Investment.

Net Income (Loss) shall be determined in accordance with the accounting method used by the Company for U.S. federal income tax purposes with the following adjustments: (i) any income of the Company that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Net Income (Loss) shall be added to such taxable income or loss; (ii) if any asset has a value on the books of the Company that differs from its adjusted tax basis for U.S. federal income tax purposes, any depreciation, amortization or gain resulting from a disposition of such asset shall be calculated with reference to such value; (iii) upon an adjustment to the value of any asset on the books of the Company pursuant to Regulation Section 1.704-1(b)(2), the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (iv) any expenditures of the Company not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Net Income (Loss) pursuant to this definition shall be treated as deductible items; (v) any income from an Investment that is payable to Company employees in respect of "phantom interests" in such Investment awarded by the Managing Member to employees shall be included as an expense in the calculation of Net Income (Loss) from such Investment, and (vi) items of income and expense (including interest income and overhead and other indirect expenses) of the Company, Holdings and other affiliates of the Company shall be allocated among the Company, Holdings and such affiliates, among various Company activities and Investments and between accounting periods, in each case as determined by the Managing Member. Any adjustments to Net Income (Loss) by the Managing Member, including adjustments for items of income accrued but not yet received, unrealized gains, items of expense accrued but not yet paid, unrealized losses, reserves (including reserves for taxes, bad debts, actual or threatened litigation, or any other expenses, contingencies or obligations) and other appropriate items shall be made in accordance with U.S. generally accepted accounting principles ("GAAP"); provided , that the Managing Member shall not be required to make any such adjustment.

(c) An accounting period shall be a Fiscal Year, except that, at the option of the Managing Member, an accounting period will terminate and a new accounting period will begin on the admission date of an additional Member or the Settlement Date of a Withdrawn Member, if any such date is not the first day of a Fiscal Year. If any event referred to in the preceding sentence occurs and the Managing Member does not elect to terminate an accounting period and begin a new accounting period, then the Managing Member may make such adjustments as it deems appropriate to the Members' Profit Sharing Percentages for the accounting period in which such event occurs (prior to any allocations of Unallocated Percentages or adjustments to Profit Sharing Percentages pursuant to Section 5.3) to reflect the Members' average Profit Sharing Percentages during such accounting period; provided , that the Profit Sharing Percentages of Members in Net Income (Loss) from Investments acquired during such accounting period will be based on Profit Sharing Percentages in effect when each such Investment was acquired.

(d) In establishing Profit Sharing Percentages and allocating Unallocated Percentages pursuant to Section 5.3, the Managing Member may consider such factors as it deems appropriate.

(e) All determinations, valuations and other matters of judgment required to be made for accounting purposes under this Agreement shall be made by the Managing Member and approved by the Company's independent accountants. Such approved determinations, valuations and other accounting matters shall be conclusive and binding on all Members, all Withdrawn Members, their successors, heirs, estates or legal representatives and any other person, and to the fullest extent permitted by law no such person shall have the right to an accounting or an appraisal of the assets of the Company or any successor thereto.

SECTION 5.2. Capital Accounts . (a) There shall be established for each Member on the books of the Company, to the extent and at such times as may be appropriate, one or more capital accounts as the Managing Member may deem to be appropriate for purposes of accounting for such Member's interests in the capital and Net Income (Loss) of the Company.

(b) As of the end of each accounting period or, in the case of a contribution to the Company by one or more of the Members or a distribution by the Company to one or more of the Members, at the time of such contribution or distribution, (i) the appropriate capital accounts of each Member shall be credited with the following amounts: (A) the amount of cash and the value of any property contributed by such Member to the capital of the Company during such accounting period, (B) the Net Income allocated to such Member for such accounting period and (C) the interest credited on the balance of such Member's capital for such accounting period pursuant to Section 4.2; and (ii) the appropriate capital accounts of each Member shall be debited with the following amounts: (x) the amount of cash, the principal amount of any subordinated promissory note of the Company referred to in Section 6.5(k) (as such amount is paid) and the value of any property distributed to such Member during such accounting period and (y) the Net Loss allocated to such Member for such accounting period.

SECTION 5.3. Profit Sharing Percentages . (a) Prior to the beginning of each annual accounting period, the Managing Member shall establish the profit sharing percentage (the " Profit Sharing Percentage ") of each Member in each category of Net Income (Loss) for such annual accounting period pursuant to Section 5.1(a) taking into account such factors as the Managing Member deems appropriate, including those referred to in Section 5.1(d); provided , that (i) the Managing Member may elect to establish Profit Sharing Percentages in Net Income (Loss) from any Investment acquired by the Company during such accounting period at the time such Investment is acquired in accordance with paragraph (d) below and (ii) Net Income (Loss) for such accounting period from any Investment shall be allocated in accordance with the Profit Sharing Percentages in such Investment established in accordance with paragraph (d) below. The Managing Member may establish different Profit Sharing Percentages for any Member in different categories of Net Income (Loss). In the case of the Withdrawal of a Member, such former Member's Profit Sharing Percentages shall be allocated by the Managing Member to one or more of the remaining Members. In the case of the admission of any Member to the Company as an additional Member, the Profit Sharing Percentages of the other Members shall be reduced by an amount equal to the Profit Sharing Percentage allocated to such new Member pursuant to Section 6.1(b); such reduction of each other Member's Profit Sharing Percentage shall be pro rata based upon such Member's Profit Sharing Percentage as in effect immediately prior to the admission of the new Member. Notwithstanding the foregoing, the Managing Member may also adjust the Profit Sharing Percentage of any Member for any annual accounting period at the end of such annual accounting in its sole discretion.

(b) The Managing Member may elect to allocate to the Members less than 100% of the Profit Sharing Percentages of any category for any annual accounting period at the time specified in

Section 5.3(a) for the annual fixing of Profit Sharing Percentages (any remainder of such Profit Sharing Percentages being called an " Unallocated Percentage "); provided , that any Unallocated Percentage in any category of Net Income (Loss) for any annual accounting period that is not allocated by the Managing Member within 90 days after the end of such accounting period shall be deemed to be allocated among all Members (including the Managing Member) in the manner determined by the Managing Member in its sole discretion.

(c) Unless otherwise determined by the Managing Member in a particular case, (i) Profit Sharing Percentages in Net Income (Loss) from any Investment shall be established in proportion to the Members' respective capital contributions in respect of such Investment and (ii) Profit Sharing Percentages in Net Income (Loss) from each Investment shall be fixed at the time such Investment is acquired and shall not thereafter change, subject to any repurchase rights established by the Managing Member pursuant to Section 5.7.

SECTION 5.4. Allocations of Net Income (Loss) . (a) Except as provided in Sections 5.4(d) and 5.4(e), Net Income of the Company for each Investment shall be allocated to the capital accounts related to such Investment of all the Members participating in such Investment (including the Managing Member): first, in proportion to and to the extent of the amount of Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest distributed to the Members; second, to Members that received Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest in years prior to the years such Net Income is being allocated to the extent such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest exceeded Net Income allocated to such Members in such earlier years; and third, to the Members in the same manner that such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest would have been distributed if cash were available to distribute with respect thereto.

(b) Net Loss of the Company shall be allocated as follows: (i) Net Loss relating to realized losses suffered by BREP IV and allocated to the Company with respect to its pro rata share thereof (based on capital contributions made to BREP IV) shall be allocated to the Members in accordance with each Member's Non-Carried Interest Sharing Percentage with respect to the Investment giving rise to such loss suffered by BREP IV and (ii) Net Loss relating to realized losses suffered by BREP IV and allocated to the Company with respect to the Carried Interest shall be allocated in accordance with a Member's (including Withdrawn Member's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.7(e)).

(c) Notwithstanding Section 5.4(a) above, Net Income relating to Carried Interest allocated after the allocation of a Net Loss pursuant to clause (ii) of Section 5.4(b) shall be allocated in accordance with such Carried Interest Give Back Percentages until such time as the Members have been allocated Net Income relating to Carried Interest equal to the aggregate amount of Net Loss previously allocated in accordance with clause (ii) of Section 5.4(b). Withdrawn Members shall remain Members for purposes of allocating such Net Loss with respect to Carried Interest.

(d) To the extent the Company has any Net Income (Loss) for any accounting period unrelated to BREP IV, such Net Income (Loss) will be allocated in accordance with Profit Sharing Percentages prevailing at the beginning of such accounting period, except as provided in Section 5.4(e).

(e) The Managing Member may authorize from time to time advances to Members against their allocable shares of Net Income (Loss).

SECTION 5.5. Liability of Members . Except as otherwise provided in the LLC Act or as expressly provided in this Agreement, no Member shall be personally obligated for any debt, obligation or liability of the Company or of any other Member solely by reason of being a Member. In no event shall any Member or Withdrawn Member (i) be obligated to make any capital contribution or payment to or on behalf of the Company or (ii) have any liability to return distributions received by such Member from the Company, in each case except as specifically provided in Sections 4.1(d) or 5.8 or otherwise in this Agreement, as such Member shall otherwise expressly agree in writing or as may be required by applicable law.

SECTION 5.6. [Intentionally omitted.]

SECTION 5.7. Repurchase Rights, etc . The Managing Member may from time to time establish such repurchase rights and/or other requirements with respect to the Members' Interests relating to BREP IV Investments as the Managing Member may determine. The Managing Member shall have authority to (a) withhold any distribution otherwise payable to any Member until any such repurchase rights have lapsed or any such requirements have been satisfied, (b) pay any distribution to any Member that is Contingent as of the distribution date and require the refund of any portion of such distribution that is Contingent as of the Withdrawal Date of such Member, (c) amend any previously established repurchase rights or other requirements from time to time and (d) make such exceptions thereto as it may determine on a case by case basis.

SECTION 5.8. Distributions . (a) The Company shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Members at such times and in such amounts as are determined by the Managing Member. The Managing Member shall, if it deems it appropriate, determine the availability for distribution of, and distribute, cash or other property separately for each category of Net Income (Loss) established pursuant to Section 5.1(a). Distributions of cash or other property with respect to Non-Carried Interest shall be made among the Members in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Sections 4.1(d) and 5.8(e), distributions of cash or other property with respect to Carried Interest shall be made among Members in accordance with their respective Carried Interest Sharing Percentages. At any time that a sale, exchange, transfer or other disposition by BREP IV of a portion of an Investment is being considered by the Company (a " Disposable Investment "), at the election of the Managing Member each Member's Interest with respect to such Investment shall be vertically divided into two separate Interests, an Interest attributable to the Disposable Investment (a Member's " Class B Interest "), and an Interest attributable to such Investment excluding the Disposable Investment (a Member's " Class A Interest "). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BREP IV) relating to a Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class B Interests with respect to such Investment in accordance with their Profit Sharing Percentages relating to such Class B Interests, and distributions (including those resulting from the sale, transfer, exchange or other disposition by BREP IV) relating to an Investment excluding such Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class A Interests with respect to such Investment in accordance with their respective Profit Sharing Percentages relating to such Class A Interests. Except as provided above, distributions of cash or other property with respect to each category of Net Income (Loss) shall be allocated among the Members in the same proportions as the allocations of Net Income (Loss) of each such category.

(b) Subject to the Company's having sufficient available cash in the reasonable judgment of the Managing Member, the Company shall make cash distributions to each Member with respect to each Fiscal Year of the Company in an aggregate amount at least equal to the total Federal, New York State and New York City income and other taxes that would be payable by such Member with respect to all categories of Net Income (Loss) allocated to such Member for such Fiscal Year, the amount

of which shall be calculated (i) on the assumption that each Member is an individual subject to the then prevailing maximum Federal, New York State and New York City income tax rates, (ii) taking into account the deductibility of state and local income and other taxes for Federal income tax purposes and (iii) taking into account any differential in applicable rates due to the type and character of Net Income (Loss) allocated to such Member. Notwithstanding the provisions of the foregoing sentence, the Managing Member may refrain from making any distribution if, in the reasonable judgment of the Managing Member, such distribution is prohibited by § 18-607 of the LLC Act.

(c) The Managing Member may provide that the member interest of any Member or employee (including such Member's or employee's right to distributions and investments of the Company related thereto) may be subject to repurchase by the Company during such period as the Managing Member shall determine (a " Repurchase Period "). Any Contingent distributions from investments subject to repurchase rights will be withheld by the Company and will be distributed to the recipient thereof (together with interest thereon at rates determined by the Managing Member from time to time) as the recipient's rights to such distributions become Non-Contingent (by virtue of the expiration of the applicable Repurchase Period or otherwise). The Managing Member may elect in an individual case to have the Company distribute any Contingent distribution to the applicable recipient thereof irrespective of whether the applicable Repurchase Period has lapsed. If a Member Withdraws from the Company for any reason other than his death, Total Disability or Incompetence, the undistributed share of any investment that remains Contingent as of the applicable Withdrawal Date shall be repurchased by the Company at a purchase price to be determined at such time by the Managing Member. Unless determined otherwise by the Managing Member, the repurchased portion thereof will be allocated among the remaining Members with interests in such investment in proportion to their respective percentage interests in such investment, or if no other Member has a percentage interest in such specific investment, to the Managing Member; provided , that the Managing Member may allocate the Withdrawn Member's share of a repurchased investment attributable to the period after the Withdrawn Member's Withdrawal Date on any basis it may determine, including to existing or new Members who did not previously have interests in such investment, except that, in any event, each Investor Special Member shall be allocated a share of such unrealized investment income equal to its respective Profit Sharing Percentage of such unrealized investment income.

(d) (i) (A) If the Company is obligated under the Clawback Provisions or Giveback Provisions to contribute a Clawback Amount or Giveback Amount to BREP IV, the Company shall call for such amounts as are necessary to satisfy such obligations as determined by the Managing Member, in which case each Member and Withdrawn Member shall contribute to the Company, in cash, when and as called by the Company, such an amount of prior distributions by the Company (and the Other Fund GPs) with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the " Recontribution Amount ") which equals (I) the product of (a) a Member's or Withdrawn Member's Carried Interest Give Back Percentage and (b) the aggregate Clawback Amount payable by the Company in the case of Clawback Amounts and (II) with respect to a Giveback, such Member's pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the BREP IV Investment giving rise to the Giveback Amount, (b) if the amounts contributed pursuant to clause (II)(a) above are insufficient to satisfy such Giveback Amount, BREP IV Investments other than the one giving rise to such obligation, but only those amounts received by the Members with an interest in the BREP IV Investment referred to in clause (II)(a) above and (c) if the Giveback Amount is unrelated to a specific BREP IV Investment, all BREP IV Investments. Each Member and Withdrawn Member shall promptly contribute to the Company, along with satisfying his comparable obligations to the Other Fund GPs, if any, upon such call such Member's or Withdrawn Member's Recontribution Amount, less the amount paid out of the Trust Account on behalf of such Member or Withdrawn Member by the Trustee(s) pursuant to written instructions from the Company, or if applicable, any of the Other Fund GPs with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the " Net

Recontribution Amount "), irrespective of the fact that the amounts in the Trust Account may be sufficient on an aggregate basis to satisfy the Company's and the Other Fund GPs' obligation under the Clawback Provisions and/or Giveback Provisions; provided , that to the extent a Member's or Withdrawn Member's share of the amount paid with respect to the Clawback Amount or the Giveback Provisions exceeds his Recontribution Amount, such excess shall be repaid to such Member or Withdrawn Member as promptly as reasonably practicable, subject to clause (ii) below; provided further , that such written instructions from the Company shall specify each Member's and Withdrawn Member's Recontribution Amount. Prior to such time, the Company may, in its discretion (but shall be under no obligation to), provide notice that in the Company's judgment, the potential obligations in respect of the Clawback Provisions or the Giveback Provisions will probably materialize (and an estimate of the aggregate amount of such obligations); provided further , that any amount from a Member's Trust Account used to pay any Giveback Amount (or such lesser amount as may be required by the Managing Member) shall be contributed by such Member to such Member's Trust Account no later than 30 days after the Net Recontribution Amount is paid with respect to such Giveback.

(B) To the extent any Member or Withdrawn Member has satisfied any Holdback obligation with Firm Collateral, such Member or Withdrawn Member shall, within 10 days of the Company's call for Recontribution Amounts, make a cash payment into the Trust Account in an amount equal to the amount of the Holdback obligation satisfied with such Firm Collateral, or such lesser amount such that the amount in the Trust Account allocable to such Member or Withdrawn Member equals the sum of (I) such Member's or Withdrawn Member's Recontribution Amount and (II) any similar amounts payable to any of the Other Fund GPs. Immediately upon receipt of such cash, the Trustee (s) shall take such steps as are necessary to release such Firm Collateral of such Member or Withdrawn Member equal to the amount of such cash payment. If the amount of such cash payment is less than the amount of Firm Collateral of such Member or Withdrawn Member, the balance of such Firm Collateral if any, shall be retained to secure the payment of Deficiency Contributions, if any, and shall be fully released upon the satisfaction of the Company's and the Other Fund GPs' obligation to pay the Clawback Amount. The failure of any Member or Withdrawn Member to make a cash payment in accordance with this clause (B) (to the extent applicable) shall constitute a default under Section 5.8(d)(ii) as if such cash payment hereunder constitutes a Net Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Member or Withdrawn Member (a " Defaulting Party ") fails to recontribute all or any portion of such Defaulting Party's Net Recontribution Amount for any reason, the Company shall require all other Members and Withdrawn Members to contribute, on a pro rata basis (based on each of their respective Carried Interest Give Back Percentages in the case of Clawback Amounts, and Profit Sharing Percentages in the case of Giveback Amounts (as more fully described in clause (II) of Section 5.8(d)(i)(A) above)), such amounts as are necessary to fulfill the Defaulting Party's obligation to pay such Defaulting Party's Net Recontribution Amount (a " Deficiency Contribution ") if the Managing Member determines in its good faith judgment that the Company will be unable to collect such amount in cash from such Defaulting Party for payment of the Clawback Amount or Giveback Amount, as the case may be, at least 20 Business Days prior to the latest date that the Company, and the Other Fund GPs, if applicable, are permitted to pay the Clawback Amount or Giveback Amount, as the case may be; provided , that, subject to Section 5.8(e), no Member or Withdrawn Member shall as a result of such Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of the Net Recontribution Amount initially requested from such Member or Withdrawn Member in respect of such default. Thereafter, the Managing Member shall determine in its good faith judgment that the Company should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the Managing Member or (2) pursue any and all remedies (at law or equity) available to the Company against the Defaulting Party, the cost of which shall be a Company expense to the extent not ultimately reimbursed by the Defaulting Party. It is agreed that the Company shall have the right

(effective upon such Defaulting Party becoming a Defaulting Party) to set-off as appropriate and apply against such Defaulting Party's Net Recontribution Amount any amounts otherwise payable to the Defaulting Party by the Company or any affiliate thereof (including amounts unrelated to Carried Interest, such as returns of capital and profit thereon). Each Member and Withdrawn Member hereby grants to the Company a security interest, effective upon such Member or Withdrawn Member becoming a Defaulting Party, in all accounts receivable and other rights to receive payment from any affiliate of the Company and agrees that, upon the effectiveness of such security interest, the Company may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member and Withdrawn Member hereby appoints the Company as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Member or Withdrawn Member or in the name of the Company, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Company shall be entitled to collect interest on the Net Recontribution Amount of a Defaulting Party from the date such Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(B) Any Member's or Withdrawn Member's failure to make a Deficiency Contribution shall cause such Member or Withdrawn Member to be a Defaulting Party with respect to such amount. The Company shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Member or Withdrawn Member to satisfy such Member's or Withdrawn Member's obligation to make a Deficiency Contribution before seeking cash contributions from such Member or Withdrawn Member in satisfaction of such Member's or Withdrawn Member's obligation to make a Deficiency Contribution.

(iii) A Member's or Withdrawn Member's obligation to make contributions to the Company under this Section 5.8(d) shall survive the termination of the Company.

(e) The Members acknowledge that the Managing Member will (and is hereby authorized to) take such steps as it deems appropriate, in its good faith, to further the objective of providing for the fair and equitable treatment of all Members, including by allocating Writedowns and Losses (as defined in the BREP IV Partnership Agreement) on BREP IV Investments that have been the subject of a Writedown and/or Losses (each, a " Loss Investment ") to those Members who participated in such Loss Investments based on their Carried Interest Sharing Percentage therein to the extent that such Members receive or have received Carried Interest distributions from other BREP IV Investments. Consequently and notwithstanding anything herein to the contrary, adjustments to Carried Interest distributions shall be made as set forth in this Section 5.8(e).

(i) At the time the Company is making Carried Interest distributions in connection with a BREP IV Investment (the " Subject Investment ") that have been reduced under the BREP IV Partnership Agreement as a result of one or more Loss Investments, the Managing Member shall calculate amounts distributable to or due from each such Member as follows:

(A) determine each Member's share of each such Loss Investment based on his Carried Interest Sharing Percentage in each such Loss Investment (which may be zero) to the extent such Loss Investment has reduced the Carried Interest distributions otherwise available for distribution to all Members (indirectly through the Company from BREP IV) from the Subject Investment (such reduction, the " Loss Amount ");

(B) determine the amount of Carried Interest distributions otherwise distributable to such Member with respect to the Subject Investment (indirectly through the Company from BREP IV) before any reduction in respect of the amount determined in clause (A) above (the " Unadjusted Carried Interest Distributions "); and

(C) subtract (I) the Loss Amounts relating to all Loss Investments from (II) the Unadjusted Carried Interest Distributions for such Member, to determine the amount of Carried Interest distributions to actually be paid to such Member (" Net Carried Interest Distribution ").

To the extent that the Net Carried Interest Distribution for a Member as calculated in this clause (i) is a negative number, the Managing Member shall (I) notify such Member, at or prior to the time such Carried Interest distributions are actually made to the Members, of his obligation to recontribute to the Company prior Carried Interest distributions (a " Net Carried Interest Distribution Recontribution Amount "), up to the amount of such negative Net Carried Interest Distribution, and (II) to the extent amounts recontributed pursuant to clause (I) are insufficient to satisfy such negative Net Carried Interest Distribution amount, reduce future Carried Interest distributions otherwise due such Member, up to the amount of such remaining negative Net Carried Interest Distribution. If a Member's (x) Net Carried Interest Distribution Recontribution Amount exceeds (y) the aggregate amount of prior Carried Interest distributions less the amount of tax thereon, calculated based on the Assumed Tax Rate (as defined in the BREP IV Partnership Agreement) in effect in the Fiscal Years of such distributions (the " Excess Tax-Related Amount "), then such Member may, in lieu of paying such Member's Excess Tax-Related Amount, defer such amounts as set forth below. Such deferred amount shall accrue interest at the Prime Rate. Such deferred amounts shall be reduced and repaid by the amount of Carried Interest otherwise distributable to such Member in connection with future Carried Interest distributions until such balance is reduced to zero. Any deferred amounts shall be payable in full upon the earlier of (i) such time as the Clawback is determined (as provided herein) and (ii) such time as the Member becomes a Withdrawn Member.

To the extent there is an amount of negative Net Carried Interest Distribution with respect to a Member remaining after the application of this clause (i), notwithstanding clause (II) of the preceding paragraph, such remaining amount of negative Net Carried Interest Distribution shall be allocated to the other Members pro rata based on each of their Carried Interest Sharing Percentages in the Subject Investment."

A Member who fails to pay a Net Carried Interest Distribution Recontribution Amount promptly upon notice from the Managing Member (as provided above) shall be deemed a Defaulting Party for all purposes hereof.

A Member may satisfy in part any Net Carried Interest Distribution Recontribution Amount from cash that is then subject to a Holdback, to the extent that the amounts that remain subject to a Holdback satisfy the Holdback requirements hereof as they relate to the reduced amount of aggregate Carried Interest distributions received by such Member (taking into account any Net Carried Interest Distribution Recontribution Amount contributed to the Company by such Member).

Any Net Carried Interest Distribution Recontribution Amount contributed by a Member, including amounts of cash subject to a Holdback as provided above, shall increase the amount available for distribution to the other Members as Carried Interest distributions with respect to the Subject Investment; provided , that any such amounts then subject to a Holdback may be so distributed to the other Members to the extent a Member receiving such distribution has satisfied the Holdback requirements with respect to such distribution (taken together with the other Carried Interest distributions received by such Member to date).

(ii) In the case of Clawback Amounts which are required to be contributed to the Company as otherwise provided herein, the obligation of the Members with respect to any Clawback Amount shall be adjusted by the Managing Member as follows:

(A) determine each Member's share of any Losses in any BREP IV Investments which gave rise to the Clawback Amount (i.e. , the Losses that followed the last BREP IV Investment with respect to which Carried Interest distributions were made), based on such Member's Carried Interest Sharing Percentage in such BREP IV Investments;

(B) determine each Member's obligation with respect to the Clawback Amount based on such Member's Carried Interest Give Back Percentage as otherwise provided herein; and

(C) subtract the amount determined in clause (B) above from the amount determined in clause (A) above with respect to each Member to determine the amount of adjustment to each Member's share of the Clawback Amount (a Member's " Clawback Adjustment Amount ").

A Member's share of the Clawback Amount shall for all purposes hereof be decreased by such Member's Clawback Adjustment Amount, to the extent it is a negative number (except to the extent expressly provided below). A Member's share of the Clawback Amount shall for all purposes hereof be increased by such Member's Clawback Adjustment Amount (to the extent it is a positive number); provided , that in no way shall a Member's aggregate obligation to satisfy a Clawback Amount as a result of this clause (ii) exceed the aggregate Carried Interest distributions received by such Member. To the extent a positive Clawback Adjustment Amount remains after the application of this clause (ii) with respect to a Member, such remaining Clawback Adjustment Amount shall be allocated to the Members (including any Member whose Clawback Amount was increased pursuant to this clause (ii)) pro rata based on their Carried Interest Give Back Percentages (determined without regard to this clause (ii)).

Any distribution or contribution adjustments pursuant to this Section 5.8(e) by the Managing Member shall be based on its good faith judgment, and no Member shall have any claim against the Company, the Managing Member or any other Members as a result of any adjustment made as set forth above. This Section 5.8(e) applies to all Members, including Withdrawn Members.

It is agreed and acknowledged that this Section 5.8(e) is an agreement among the Members and in no way modifies the obligations of each Member regarding the Clawback as provided in the BREP IV Partnership Agreement.

SECTION 5.9. Business Expenses . The Company shall reimburse the Members for reasonable travel, entertainment and miscellaneous expenses incurred by them in the conduct of the Company's business in accordance with rules and regulations established by the Managing Member from time to time.

ARTICLE VI

ADDITIONAL MEMBERS; WITHDRAWAL OF MEMBERS;
SATISFACTION AND DISCHARGE OF
COMPANY INTERESTS; TERMINATION

SECTION 6.1. Additional Members . (a) Effective on the first day of any month (or on such other date as shall be determined by the Managing Member in its sole discretion), the Managing Member shall have the right to admit one or more additional persons into the Company as Regular Members or Special Members. The Managing Member shall determine and negotiate with the additional Member all terms of such additional Member's participation in the Company, including the additional Member's initial capital contribution and Profit Sharing Percentage. Each additional Member shall have such voting rights as determined by the Managing Member from time to time unless, upon the admission to the Company of any Special Member (including any Special Member), the Managing Member shall designate that such Special Member shall not have such voting rights (any such Special Member being called a " Nonvoting Special Member "). Any additional Member shall, as a condition to becoming a Member, agree to become a party to, and be bound by the terms and conditions of, the Trust Agreement.

(b) The Profit Sharing Percentages to be allocated to an additional Member as of the date such Member is admitted to the Company, together with the pro rata reduction in all other Members' Profit Sharing Percentages as of such date, shall be established by the Managing Member pursuant to Section 5.3.

(c) An additional Member shall be required to contribute to the Company his pro rata share of the Company's total capital, excluding capital in respect of Investments in which such Member does not acquire any interests, at such times and in such amounts as shall be determined by the Managing Member in accordance with Section 4.1.

(d) The admission of an additional Member will be evidenced by (i) the execution of a counterpart copy of this Agreement by such additional Member or (ii) the execution of an amendment to this Agreement by all the Members (including the additional Member), as determined by the Managing Member. In addition, each additional Member shall sign a counterpart copy of the Trust Agreement or any other writing evidencing the intent of such person to become a party to the Trust Agreement that is accepted by the Managing Member on behalf of the Company.

SECTION 6.2. Withdrawal of Members . (a) Any Member may Withdraw voluntarily from the Company on the last day of any calendar month (or on such other date as shall be determined by the Managing Member in its sole discretion), on not less than 15 days' prior written notice by such Member to the Managing Member (or on such shorter notice period as may be mutually agreed between such Member and the Managing Member); provided , that a Member may not voluntarily Withdraw without the consent of the Managing Member if such Withdrawal would (i) cause the Company to be in default under any of its contractual obligations or (ii) in the reasonable judgment of the Managing Member, have a material adverse effect on the Company or its business.

(b) Upon the Withdrawal of any Member, including by the occurrence of any withdrawal event under the LLC Act with respect to any Member, such Member shall thereupon cease to be a Member, except as expressly provided herein.

(c) Upon the Total Disability of a Regular Member, such Member shall thereupon cease to be a Regular Member; provided , that the Managing Member may elect to admit such Withdrawn Member to the Company as a Nonvoting Special Member with such Interest as the Managing Member

may determine. The determination of whether any Member has suffered a Total Disability shall be made by the Managing Member in its sole discretion after consultation with a qualified medical doctor. In the absence of agreement between the Managing Member and such Member, each party shall nominate a qualified medical doctor and the two doctors shall select a third doctor, who shall make the determination as to Total Disability.

(d) If the Managing Member determines or with a Majority in Interest of the Members that it shall be in the best interests of the Company for any Member (including any Member who has given notice of voluntary Withdrawal pursuant to paragraph (a) above) to Withdraw from the Company (whether or not Cause exists), such Member, upon written notice by the Managing Member to such Member, shall be required to Withdraw as of a date specified in such notice, which date shall be on or after the date of such notice. If the Managing Member requires any Member to Withdraw for Cause, such notice shall state that it has been given for Cause and shall describe the particulars thereof in reasonable detail.

(e) The withdrawal from the Company of any Member shall not, in and of itself, affect the obligations of the other Members to continue the Company during the remainder of its term.

SECTION 6.3. Company Interests Not Transferable . No Member may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Member's Interest other than as permitted by written agreement between such Member and the Company; provided , that this Section 6.3 shall not impair transfers by operation of law, transfers by will or by other testamentary instrument occurring by virtue of the death or dissolution of a Member, or transfers required by trust agreements; provided further , that a Regular Member may transfer, for estate planning purposes, up to 25% of his Profit Sharing Percentage to any estate planning trust, limited partnership, or limited liability company with respect to which a Regular Member controls investments related to any interest in the Company held therein (an " Estate Planning Vehicle "). Each Estate Planning Vehicle will be a Nonvoting Special Member. Such Regular Member and the Nonvoting Special Member shall be jointly and severally liable for all obligations of both such Regular Member and such Nonvoting Special Member with respect to the Company (including the obligation to make additional capital contributions), as the case may be. The Managing Member may at its sole option exercisable at any time require any Estate Planning Vehicle to withdraw from the Company on the terms of this Article VI. Except as provided in the second proviso to the first sentence of this Section 6.3, no assignee, legatee, distributee, heir or transferee (by conveyance, operation of law or otherwise) of the whole or any portion of any Member's Interest shall have any right to be a Member without the prior written consent of the Managing Member, (which consent may withheld without giving reason therefor). Notwithstanding the granting of a security interest in the entire Interest of any Member, such Member shall continue to be a Member of the Company.

SECTION 6.4. Consequences upon Withdrawal of a Member. (a) The Withdrawal of a Regular Member shall not dissolve the Company if at the time of such Withdrawal there are one or more remaining Regular Members and any one or more of such remaining Regular Members continue the business of the Company (any and all such remaining Regular Members being hereby authorized to continue the business of the Company without dissolution and hereby agreeing to do so). Notwithstanding Section 6.4(b), if upon the Withdrawal of a Regular Member there shall be no remaining Regular Member, the Company shall be dissolved and shall be wound up unless, within 90 days after the occurrence of such Withdrawal, all remaining Special Members agree in writing to continue the business of the Company and to the appointment, effective as of the date of such Withdrawal, of one or more Regular Members.

(b) The Company shall not be dissolved, in and of itself, by the Withdrawal of any Member, but shall continue with the surviving or remaining Members as members thereof in accordance with and subject to the terms and provisions of this Agreement.

SECTION 6.5. Satisfaction and Discharge of a Withdrawn Member's Interest . (a) As used in this Agreement, (i) the term "Withdrawn Member" shall mean a Member whose interest in the Company has been terminated for any reason, including the occurrence of an event specified in Section 6.2, and shall include, unless the context requires otherwise, the estate or legal representatives of any such Member, (ii) the term "Withdrawal Date" shall mean the date of the Withdrawal from the Company of a Withdrawn Member and (iii) the term "Settlement Date" shall mean the date as of which a Withdrawn Member's Interest is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Regular Member who Withdraws from the Company, and all or any portion of whose Interest is retained as a Special Member, shall be considered a Withdrawn Member for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Member's interest in the Company may be agreed to by the Managing Member and a Withdrawn Member, a Withdrawn Member's Settlement Date shall be his Withdrawal Date; provided , that if a Withdrawn Member's Withdrawal Date is not the last day of a month, then the Managing Member may elect or such Withdrawn Member's Settlement Date to be the last day of the month in which his Withdrawal Date occurs. During the interval, if any, between a Withdrawn Member's Withdrawal Date and Settlement Date, such Withdrawn Member shall have the same rights and obligations with respect to capital contributions, interest on capital, allocations of Net Income (Loss) and distributions as would have applied had such Withdrawn Member remained a Member of the Company during such period.

(c) In the event of the Withdrawal of a Member, the Managing Member shall promptly after such Withdrawn Member's Settlement Date (i) determine and allocate to the Withdrawn Member's capital account such Withdrawn Member's allocable share of the Net Income (Loss) of the Company for the period ending on such Settlement Date in accordance with Article V and (ii) credit the Withdrawn Member's capital account with interest in accordance with Section 5.2. In making the foregoing calculations, the Managing Member shall be entitled to establish such reserves (including reserves for taxes, bad debts, unrealized losses, actual or threatened litigation or any other expenses, contingencies or obligations) as it deems appropriate. Unless otherwise determined by the Managing Member in a particular case, a Withdrawn Member shall not be entitled to receive any Unallocated Percentage in respect of the accounting period during which such Member Withdraws from the Company (whether or not previously awarded or allocated) or any Unallocated Percentage in respect of prior accounting periods that have not been paid or allocated (whether or not previously awarded) as of such Withdrawn Member's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Member, the Withdrawn Member's Profit Sharing Percentages shall, unless otherwise allocated by the Managing Member pursuant to Section 5.3(a), be deemed to be Unallocated Percentages (except for Profit Sharing Percentages with respect to Investments as provided in paragraph (f) below).

(e) (i) Upon the Withdrawal from the Company of a Member, such Withdrawn Member thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Member (including voting rights), and, except as expressly provided in this Section 6.5, such Withdrawn Member shall not have any interest in the Company's Net Income (Loss), distributions, Investments or other assets. If a Member Withdraws from the Company for any reason other than for Cause pursuant to Section 6.2, then the Withdrawn Member shall be entitled to receive, at the time or times specified in Section 6.5(i) below, in satisfaction and discharge in full of the Withdrawn Member's Interest, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn

Member's capital accounts, (excluding any capital account or portion thereof attributable to any Investment) and (y) the Withdrawn Member's percentage interest attributable to each Investment in which the Withdrawn Member has an interest as of the Settlement Date as provided in paragraph (f) below (which shall be settled in accordance with paragraph (f) below), subject to all the terms and conditions of paragraphs (a)-(r) of this Section 6.5. If the amount determined pursuant to clause (x) above is an aggregate negative balance, the Withdrawn Member shall pay the amount thereof to the Company upon demand by the Managing Member on or after the date of the statement referred to in paragraph (i) below; provided , that if the Withdrawn Member was solely a Special Member on his Withdrawal Date, such payment shall be required only to the extent of any amounts payable to such Withdrawn Member pursuant to this Section 6.5. Any aggregate negative balance in the capital accounts of a Withdrawn Member who was solely a Special Member, upon the settlement of such Withdrawn Member's Interest pursuant to this Section 6.5, shall be allocated among the other Members' capital accounts in accordance with their respective Profit Sharing Percentages in the categories of Net Income (Loss) giving rise to such negative balance as determined by the Managing Member as of such Withdrawn Member's Settlement Date. In the settlement of any Withdrawn Member's interest in the Company, no value shall be ascribed to goodwill, the Company name or the anticipation of any value the Company or any successor thereto might have in the event the Company or any interest therein were to be sold in whole or in part.

(ii) Notwithstanding clause (i) of this Section 6.5(e), in the case of a Member whose Withdrawal resulted from such Member's death or Incompetence, such Member's estate or legal representative, as the case may be, may elect, at the time described below, to receive a Nonvoting Special Member Interest and retain such Member's Profit Sharing Percentage in all (but not less than all) illiquid investments of the Company in lieu of a cash payment (or Note) in settlement of that portion of the Withdrawn Member's interest. The election referred to above shall be made within 60 days after the Withdrawn Member's Settlement Date, based on a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Member's "percentage interest" means his Profit Sharing Percentage as of the Settlement Date in the relevant Investment. The Withdrawn Member shall retain his percentage interest in such Investment and shall retain his capital account or portion thereof attributable to such Investment, in which case such Withdrawn Member (a " Retaining Withdrawn Member ") shall become and remain a Special Member for such purpose (and, if the Managing Member so designates, such Special Member shall be a Nonvoting Special Member). The Interests of a Retaining Withdrawn Member pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to Interests of any kind hereunder and such other terms and conditions as are established by the Managing Member. At the option of the Managing Member in its sole discretion, the Managing Member and the Retaining Withdrawn Member may agree to have the Company acquire such interests without the approval of the other Members; provided , that the Managing Member shall reflect in the books and records of the Company the terms of any acquisition pursuant to this sentence.

(g) The Managing Member may elect, in lieu of payment in cash of any amount payable to a Withdrawn Member pursuant to paragraph (e) above, to have the Company issue to the Withdrawn Member a subordinated promissory note as provided in paragraph (k) below and/or (ii) to distribute in kind to the Withdrawn Member such Withdrawn Member's pro rata share (as determined by the Managing Member) of any securities or other investments of the Company. If any securities or other investments are distributed in kind to a Withdrawn Member under this paragraph (g), the amount described in clause (x) of paragraph (e)(i) shall be reduced by the value of such distribution as valued on the latest balance sheet of the Company in accordance with generally accepted accounting principles or, if not appearing on such balance sheet, as reasonably determined by the Managing Member.

(h) [Intentionally omitted].

(i) Within 120 days after each Settlement Date, the Managing Member shall submit to the Withdrawn Member a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to this Section 6.5 together with any cash payment, subordinated promissory note (as referred to in paragraph (k) below) and in kind distributions to be made to such Member as shall be determined by the Managing Member. The Managing Member shall submit to the Withdrawn Member supplemental statements with respect to additional amounts payable to or by the Withdrawn Member in respect of the settlement of his interest in the Company (e.g. , payments in respect of Investments pursuant to paragraph (f) above or adjustments to reserves pursuant to paragraph (j) below) promptly after such amounts are determined by the Managing Member. To the fullest extent permitted by law, such statements and the valuations on which they are based shall be accepted by the Withdrawn Member without examination of the accounting books and records of the Company or other inquiry. Any amounts payable by the Company to a Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment or provision for payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to the applicable date of payment or distribution; provided , that such Withdrawn Member shall otherwise rank pari passu in right of payment (x) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year before the Withdrawal Date of the Withdrawn Member in question and (y) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year after the Withdrawal Date of the Withdrawn Member in question.

(j) If the aggregate reserves established by the Managing Member as of the Settlement Date in making the foregoing calculations should prove, in the determination of the Managing Member, to be excessive or inadequate, the Managing Member may elect, but shall not be obligated, to pay the Withdrawn Member or his estate such excess, or to charge the Withdrawn Member or his estate such deficiency, as the case may be.

(k) Any amounts owed by the Withdrawn Member to the Company at any time on or after the Settlement Date (e.g. , outstanding Company loans or advances to such Withdrawn Member) shall be offset against any amounts payable or distributable by the Company to the Withdrawn Member at any time on or after the Settlement Date or shall be paid by the Withdrawn Member to the Company, in each case as determined by the Managing Member. All cash amounts payable by a Withdrawn Member to the Company under this Section 6.5 shall bear interest from the due date to the date of payment at a floating rate equal to the lesser of (x) the rate of interest publicly announced from time to time by JPMorgan Chase Bank in New York City as its prime rate and (y) the maximum rate of interest permitted by applicable law. The "due date" of amounts payable by a Withdrawn Member pursuant to Section 6.5(i) above shall be 120 days after a Withdrawn Member's Settlement Date. The "due date" of amounts payable to or by a Withdrawn Member in respect of Investments for which the Withdrawn Member has retained a percentage interest in accordance with paragraph (f) above shall be 120 days after realization with respect to such Investment. The "due date" of any other amounts payable by a Withdrawn Member shall be 60 days after the date such amounts are determined to be payable.

(l) At the time of the settlement of any Withdrawn Member's interest in the Company pursuant to this Section 6.5, the Managing Member may, to the fullest extent permitted by applicable law, impose any restrictions it deems appropriate on the assignment, pledge, encumbrance or other transfer by such Withdrawn Member of any interest in any Investment retained by such Withdrawn Member, any securities or other investments distributed in kind to such Withdrawn Member or such Withdrawn Member's right to any payment from the Company.

(m) If a Member is required to Withdraw from the Company for Cause pursuant to Section 6.2(d), then his Interest shall be settled in accordance with paragraphs (a)-(m) of this Section 6.5; provided , that the Managing Member may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement:

(i) In settling the Withdrawn Member's interest in any Investment in which he has an interest as of his Settlement Date, the Managing Member may elect to (A) determine the Unrealized Net Income (Loss) attributable to each such Investment as of the Settlement Date and allocate to the appropriate capital account of the Withdrawn Member his allocable share of such Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Member's capital account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Member with the balance of his capital account or portion thereof attributable to each such Investment as of his Settlement Date without giving effect to the Unrealized Net Income (Loss) from such Investment as of his Settlement Date, which shall be forfeited by the Withdrawn Member or (C) apply the provisions of paragraph (f) above, provided , that the maximum amount of Net Income (Loss) allocable to such Withdrawn Member with respect to any Investment shall equal such Member's percentage interest of the Unrealized Net Income, if any, attributable to such Investment as of the Settlement Date (the balance of such Net Income (Loss), if any, shall be allocated as determined by the Managing Member). The Withdrawn Member shall not have any continuing interest in any Investment to the extent an election is made pursuant to (A) or (B) above.

(ii) Any amounts payable by the Company to the Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to or on or after the applicable date of payment or distribution.

(n) The payments to a Withdrawn Member pursuant to this Section 6.5 may be conditioned on the compliance by such Withdrawn Member with any lawful and reasonable (under the circumstances) restrictions against engaging or investing in a business competitive with that of the Company or any of its subsidiaries and affiliates for a period not exceeding two years determined by the Managing Member. Upon written notice to the Managing Member, any Withdrawn Member who is subject to noncompetition restrictions established by the Managing Member pursuant to this paragraph (o) may elect to forfeit the principal amount payable in the final installment of his subordinated promissory note under paragraph (k) above, together with interest to be accrued on such installment after the date of forfeiture, in lieu of being bound by such restrictions.

(o) In addition to the foregoing, the Managing Member shall have the right to pay a Withdrawn Member (other than the Managing Member) a discretionary additional payment in an amount and based upon such circumstances and conditions as it determines to be relevant.

(p) The provisions of this Section 6.5 shall apply to any Investor Special Member relating to a Regular Member or Special Member and to any transferee of any interest of such Member pursuant to Section 6.3 if such Member Withdraws from the Company.

(q) (i) The Company will assist a Withdrawn Member or his estate or guardian, as the case may be, in the settlement of the Withdrawn Member's Interest in the Company. Third party costs incurred by the Company in providing this assistance will be borne by the Withdrawn Member or his estate.

(ii) The Company may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Members or their estates or guardians, as referred to

above. In such instances, the Company will obtain the prior approval of a Withdrawn Member or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his estate or guardian) declines to incur such costs, the Company will provide such reasonable assistance as and when it can so as not to interfere with the Company's day-to-day operating, financial, tax and other related responsibilities to the Company and the Members.

(r) Each Member (other than the Managing Member) hereby irrevocably appoints the Managing Member as such Member's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file, on behalf of such Member, any and all agreements, instruments, documents and certificates which the Managing Member deems necessary or advisable in connection with any transaction or matter contemplated by or provided for in this Section 6.5, including, without limitation, the performance of any obligation of such Member or the Company or the exercise of any right of such Member or the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Company of any Member for any reason and shall not be affected by the death, disability or incapacity of such Member.

SECTION 6.6. Dissolution of the Company . The Managing Member may dissolve the Company prior to the expiration of its term at any time on not less than 60 days' notice of the dissolution date given to the other Members. Upon the dissolution of the Company, and following the payment of creditors of the Company and the making of provisions for the payment of any contingent, conditional or unmatured claims known to the Company as required under the LLC Act, the Members' respective interests in the Company shall be valued and settled in accordance with the procedures set forth in Sections 5.8 and 6.5 which provide for allocations to the capital accounts of the Members and distributions in accordance with the capital account balances of the Members. The Managing Member shall be the liquidator. In the event that the Managing Member is unable to serve as the liquidator, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Members voting at a meeting of Members (excluding Nonvoting Special Members).

SECTION 6.7. Certain Tax Matters . (a) All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members for Federal, state and local income tax purposes in the same manner as such items of income, gain, loss, deduction and credit shall be allocated among the Members pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. To the extent Treasury Regulations promulgated pursuant to Subchapter K of the Code (including under Sections 704(b) and (c) of the Code) or other applicable law require allocations for tax purposes that differ from the foregoing allocations, the Managing Member may determine the manner in which such tax allocations shall be made so as to comply more fully with such Treasury Regulations or other applicable law and, at the same time, preserve the economic relationships among the Members as set forth in this Agreement. In the event there is a net decrease in partnership minimum gain or partner nonrecourse debt minimum gain (determined in accordance with the principles of Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Company, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to its respective share of such net decrease during such year, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(f). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Regulations Section 1.704-1(b)(2)(ii)(d).

(b) The Managing Member shall cause to be prepared all Federal, state and local tax returns of the Company for each year for which such returns are required to be filed and, after approval of such returns by the Managing Member, shall cause such returns to be timely filed. The Managing

Member shall determine the appropriate treatment of each item of income, gain, loss, deduction and credit of the Company and the accounting methods and conventions under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of any such item or any other method or procedure related to the preparation of such tax returns. The Managing Member may cause the Company to make or refrain from making any and all elections permitted by such tax laws. Each Member agrees that he shall not, unless he provides prior notice of such action to the Company, (i) treat, on his individual income tax returns, any item of income, gain, loss, deduction or credit relating to his interest in the Company in a manner inconsistent with the treatment of such item by the Company as reflected on the Form K-1 or other information statement furnished by the Company to such Member for use in preparing his income tax returns or (ii) file any claim for refund relating to any such item based on, or which would result in, such inconsistent treatment. In respect of an income tax audit of any tax return of the Company, the filing of any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company, or any administrative or judicial proceedings arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, (A) the Tax Matters Member (as defined below) shall be authorized to act for, and his decision shall be final and binding upon, the Company and all Members except to the extent a Member shall properly elect to be excluded from such proceeding pursuant to the Code, (B) all expenses incurred by the Tax Matters Member in connection therewith (including, without limitation, attorneys', accountants' and other experts' fees and disbursements) shall be expenses of the Company and (C) no Member shall have the right to (1) participate in the audit of any Company tax return, (2) file any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company (unless he provides prior notice of such action to the Company as provided above), (3) participate in any administrative or judicial proceedings conducted by the Company or the Tax Matters Member arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, or (4) appeal, challenge or otherwise protest any adverse findings in any such audit conducted by the Company or the Tax Matters Member or with respect to any such amended return or claim for refund filed by the Company or the Tax Matters Member or in any such administrative or judicial proceedings conducted by the Company or the Tax Matters Member. The Company and each Member hereby designate any Member selected by the Managing Member as the "tax matters partner" for purposes of Section 6231(a)(7) of the Code (the " Tax Matters Member "). To the fullest extent permitted by applicable law, each Member agrees to indemnify and hold harmless the Company and all other Members from and against any and all liabilities, obligations, damages, deficiencies and expenses resulting from any breach or violation by such Member of the provisions of this Section 6.7 and from all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees and disbursements, incident to any such breach or violation.

(c) Each individual Member shall provide to the Company copies of each Federal, state and local income tax return of such Member (including any amendment thereof) within 30 days after filing such return.

SECTION 6.8. Special Basis Adjustments . In connection with any assignment or transfer of a Company interest permitted by the terms of this Agreement, the Managing Member may cause the Company, on behalf of the Members and at the time and in the manner provided in Code Regulations Section 1.754-1(b), to make an election to adjust the basis of the Company's property in the manner provided in Sections 734(b) and 743(b) of the Code.

ARTICLE VII

MISCELLANEOUS

SECTION 7.1. Submission to Jurisdiction; Waiver of Jury Trial . (a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the Managing Member may bring, or may cause the Company to bring, on behalf of the Managing Member or the Company or on behalf of one or more Members, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Member (i) expressly consents to the application of paragraph (c) of this Section 7.1 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Managing Member as such Member's agent for service of process in connection with any such action or proceeding and agrees that service of process upon any such agent, who shall promptly advise such Member of any such service of process, shall be deemed in every respect effective service of process upon the Member in any such action or proceeding.

(c) (i) EACH MEMBER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 7.1, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 7.1 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 7.1 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq.) (the " Delaware Arbitration Act "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 7.1, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 7.1. In that case, this Section 7.1 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 7.1 shall be construed to omit such invalid or unenforceable provision.

SECTION 7.2. Ownership and Use of the Company Name . The Company acknowledges that Blackstone Financial Services Inc. (" BFS "), a Delaware corporation with a principal place of business at 345 Park Avenue, New York, New York 10154, (or its successors or assigns) is the sole and exclusive owner of the mark and name BLACKSTONE and that the ownership of, and the right to use, sell or otherwise dispose of, the firm name or any abbreviation or modification thereof which consists of or includes BLACKSTONE, shall belong exclusively to BFS, which company (or its predecessors, successors or assigns) has licensed the Company to use BLACKSTONE in its name. The Company acknowledges that BFS owns the service mark BLACKSTONE for various services and that the Company is using the BLACKSTONE mark and name on a non-exclusive, non-sublicensable and non-assignable basis in connection with its business and authorized activities with the permission of BFS. All services rendered by the Company under the BLACKSTONE mark and name will be rendered in a manner and with quality levels that are consistent with the high reputation heretofore developed for the BLACKSTONE mark by BFS and its affiliates and licensees. The Company understands that BFS may terminate its right to use BLACKSTONE at any time in BFS sole discretion by giving the Company written notice of termination. Promptly following any such termination, the Company will take all steps necessary to change its company name to one which does not include BLACKSTONE or any confusingly similar term and cease all use of BLACKSTONE or any term confusingly similar thereto as a service mark or otherwise.

SECTION 7.3. Written Consent . Any action required or permitted to be taken by a vote of Members at a meeting may be taken without a meeting if a Majority in Interest of the Members consent thereto in writing.

SECTION 7.4. Letter Agreements; Schedules . The Managing Member may, or may cause the Company to, enter into separate letter agreements with certain Members, officers or employees with respect to Profit Sharing Percentages, benefits or any other matter, in each case on terms and conditions not inconsistent with this Agreement; provided, that, notwithstanding the foregoing, any terms of this Agreement may be made subject to any such letter agreements to the extent provided elsewhere herein. The Managing Member may from time to time execute and deliver to the Members schedules which set forth the then current capital balances and Profit Sharing Percentages of the Members and any other matters deemed appropriate by the Managing Member. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

SECTION 7.5. Governing Law; Separability of Provisions . This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to principles of conflict of laws. In particular, the Company has been formed pursuant to the LLC Act, and the rights and liabilities of the Members shall be as provided therein, except as herein otherwise expressly provided. If any provision of this Agreement shall be held to be invalid, such provision shall be given its meaning to the maximum extent permitted by law and the remainder of this Agreement shall not be affected thereby.

SECTION 7.6. Successors and Assigns . This Agreement shall be binding upon and shall, subject to the penultimate sentence of Section 6.3(a), inure to the benefit of the parties hereto, their respective heirs and personal representatives, and any successor to a trustee of a trust which is or becomes a party hereto; provided, that no person claiming by, through or under a Member (whether such Member's heir, personal representative or otherwise), as distinct from such Member itself, shall have any rights as, or in respect to, a Member (including the right to approve or vote on any matter or to notice thereof) except the right to receive only those distributions expressly payable to such person pursuant to Article. Notwithstanding the foregoing, the provisions of Sections 5.8(d)(i) and (iii) shall inure to the benefit of the limited partners or other investors in BREP IV, and such limited partners or investors shall have the right to enforce the provisions thereof to the extent the Company does not otherwise do so.

VI. Any Member or Withdrawn Member shall remain liable for the obligations under this Agreement (including any Net Recontribution Amounts) of any transferee of all or any portion of such Member's or Withdrawn Member's interest in the Company, unless waived by the Managing Member. The Company shall, if the Managing Member determines, in its good faith judgment, based on the standard set forth in Section 5.8 (d)(ii)(A), to pursue such transferee, pursue payment (including any Net Recontribution Amounts) from the transferee with respect to any such obligations. Nothing in this Agreement is intended, nor shall anything herein be construed, to confer any rights, legal or equitable, in any person other than the Members and their respective legal representatives, heirs, successors and permitted assigns.

SECTION 7.7. Confidentiality . By executing this Agreement, each Member expressly agrees, at all times during the term of the Company and thereafter and whether or not at the time a Member of the Company, to maintain the confidentiality of, and not to disclose to any person other than the Company, another Member or a person designated by the Company, any information relating to the business, financial structure, financial position or financial results, clients or affairs of the Company that shall not be generally known to the public or the securities industry, except as otherwise required by law or by any regulatory or self-regulatory organization having jurisdiction; provided, that any corporate Member may disclose any such information it is required by law, rule, regulation or custom to disclose.

SECTION 7.8. Notices . Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including telecopy or similar writing) and shall be given by hand delivery (including any courier service) or telecopy to any Member at its address or telecopy number shown in the Company's books and records or, if given to the Managing Member or the Company, at the address of the Company provided herein. Each such notice shall be effective (i) if given by telecopy, upon dispatch, and (ii) if given by hand delivery, when delivered to the address of such Member or Managing Member or the Company specified as aforesaid.

SECTION 7.9. Counterparts . This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute a single instrument.

SECTION 7.10. Power of Attorney . Each Member hereby irrevocably appoints the Managing Member as such Member's true and lawful representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file all instruments, documents and certificates which, from time to time, may be required to set forth any amendment to this Agreement or may be required by this Agreement or by the laws of the United States of America, the State of Delaware or any other state in which the Company shall determine to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the subsequent Withdrawal from the Company of any Member for any reason and shall not be affected by the subsequent disability or incapacity of such Member.

SECTION 7.11. Member's Will . Each Member and Withdrawn Member shall include in his or her will a provision that addresses certain matters in respect of his or her obligations relating to the Company that is satisfactory to the Managing Member and each such Member and Withdrawn Member shall confirm annually to the Company, in writing, that such provision remains in his current will. Where applicable, any estate planning trust of such Member or Withdrawn Member to which a portion of such Member's or Withdrawn Member's Interest is transferred shall include a provision substantially similar to such provision and the trustee of such trust shall confirm annually to the Company, in writing, that such provision or its substantial equivalent remains in such trust. In the event any Member or Withdrawn Member fails to comply with the provisions of this Section 7.11 after the Company has notified such Member or Withdrawn Member of his failure to

so comply and such failure to so comply is not cured within 30 days of such notice, the Company may withhold any and all distributions to such Member until the time at which such party complies with the requirements of this Section 7.11.

SECTION 7.12. Cumulative Remedies . Rights and remedies under this Agreement are cumulative and do not preclude use of other rights and remedies available under applicable law.

SECTION 7.13. Legal Fees . Except as more specifically provided herein, in the event of a legal dispute (including litigation, arbitration or mediation) between any Member or Withdrawn Member and the Company, arising in connection with any party seeking to enforce Section 4.1(d) or any other provision of this Agreement relating to the Holdback, the Clawback Amount, the Giveback Amount or the Recontribution Amount, the "losing" party to such dispute shall promptly reimburse the "victorious party" for all reasonable legal fees and expenses incurred in connection with such dispute (such determination to be made by the relevant adjudicator). Any amounts due under this Section 7.13 shall be paid within 30 days of the date upon which such amounts are due to be paid and such amounts remaining unpaid after such date shall accrue interest at the Default Interest Rate.

SECTION 7.14. Entire Agreement . This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. Subject to Section 7.4, this Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written. In the event that it is impracticable to obtain the signature of any of the Members to this Agreement, this Agreement shall be binding among the other Members executing the same.

MANAGING MEMBER:

BLACKSTONE HOLDINGS III L.P.

By: Blackstone Holdings III GP L.L.C.,
its General Partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Authorized Person

Exhibit 10.19

BREA V L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

DATED AS OF MAY 31, 2007

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BREA V L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT of BREA V L.L.C. (the " Company "), dated as of May 31, 2007, by and among Blackstone Holdings III L.P., a Delaware limited partnership (the " Managing Member " or " Holdings "), the other members of the Company as provided on the signature pages hereto, and such other persons that are admitted to the Company as members after the date hereof in accordance herewith.

W I T N E S S E T H

WHEREAS, the Company was formed under the LLC Act (defined below) pursuant to a certificate of formation filed in the office of the Secretary of State of the State of Delaware on November 3, 2005;

WHEREAS, the original limited liability company agreement of the Company was executed as of November 3, 2005 (the " Original Operating Agreement ");

WHEREAS, the Original Operating Agreement was amended and restated in its entirety by the Amended and Restated Limited Liability Company Agreement, dated as of December 14, 2005, of the Company (as amended to date, the " First Amended and Restated Operating Agreement "); and

WHEREAS, the parties hereto now wish to amend and restate the First Amended and Restated Operating Agreement in its entirety as of the date hereof and as more fully set forth below;

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1. Definitions . Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

" Affiliate " when used with reference to another person means any person (other than the Company), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person.

" Agreement " means this Second Amended and Restated Limited Liability Company Agreement, as it may be further amended, supplemented, restated or otherwise modified from time to time.

" Alternative Vehicle " means any investment vehicle or structure formed pursuant to paragraph 2.7.1 of the BREP V Partnership Agreement or any other "Alternative Vehicle" (as defined in any other BREP V Agreements).

" Applicable Collateral Percentage " shall have the meaning with respect to any Firm Collateral and any Special Firm Collateral, in each case, as set forth in the books and records of the Company with respect thereto.

" BCP " means Blackstone Capital Partners L.P., a Delaware limited partnership, and any investment vehicle established in accordance with the terms of Blackstone Capital Partners L.P.'s

partnership agreement to invest in lieu of Blackstone Capital Partners L.P. on behalf of one or more of the partners thereof.

" BCP II " means Blackstone Capital Partners II Merchant Banking Fund L.P., a Delaware limited partnership formerly known as Blackstone Domestic Capital Partners II L.P., Blackstone Offshore Capital Partners II L.P., a Cayman Islands exempted limited partnership, and any investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreement of either of such partnerships.

" BCP III " means Blackstone Capital Partners III Merchant Banking Fund L.P., a Delaware limited partnership, Blackstone Offshore Capital Partners III L.P., a Cayman Islands exempted limited partnership, and any other investment vehicle or structure formed to invest in lieu thereof (in whole or in part).

" BCP IV " is the collective reference to Blackstone Capital Partners IV L.P., a Delaware limited partnership, and any other investment vehicle or structure formed to invest in lieu thereof (in whole or in part).

" BCP V " is the collective reference to (i) Blackstone Capital Partners V L.P., a Delaware limited partnership, and any Alternative Vehicle relating thereto, (ii) BCP V-S L.P., a Delaware limited partnership, and any Alternative Vehicle relating thereto, and (iii) any Parallel Fund formed in connection with either of such partnerships.

" BFREP V " means Blackstone Family Real Estate Partnership V L.P., a Delaware limited partnership.

" BFREP V Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of BFREP V, dated as of the date hereof, as amended, supplemented or otherwise modified from time to time.

" Blackstone Capital Commitment " has the meaning set forth in the BREP V Partnership Agreement.

" Blackstone Co-Investment Rights " has the meaning set forth in the BREP V Partnership Agreement.

" BRE Holdings V " means BRE Holdings V L.P., a Delaware limited partnership to be formed.

" BRE Holdings V Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of BRE Holdings V L.P., to be dated as of a date after the formation thereof, as amended, supplemented or otherwise modified from time to time.

" BREA V " means Blackstone Real Estate Associates V L.P., a Delaware limited partnership.

" BREA V Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of BREA V, to be dated as of the date hereof, as amended, supplemented or otherwise modified from time to time.

" BREA V Sub " means BREA V Sub L.L.C., a Delaware limited liability company to be formed, which limited liability company will serve as the general partner of BREA V.

" BREA V Sub LLC Agreement " means the Amended and Restated Limited Liability Company Agreement of BREA V Sub, to be dated as of a date after the formation thereof, as amended, supplemented or otherwise modified from time to time.

" BRECA V " means Blackstone Real Estate Capital Associates V L.P., a Delaware limited partnership, and any other partnership or other entity with terms substantially similar to the terms of that partnership and formed after the date hereof in connection with the indirect participation by one or more partners thereof who receive Carried Interest.

" BRECA V Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Capital Associates V L.P., dated as of the date hereof, as amended, supplemented or otherwise modified from time to time, and any other BRECA V partnership agreement.

" BREH V " means Blackstone Real Estate Holdings V L.P., a Delaware limited partnership.

" BREMA V " means Blackstone Real Estate Management Associates V L.P., a Delaware limited partnership, whose general partner is the Company.

" BREMA V Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Management Associates V L.P., dated as of the date hereof, as it may be further amended, supplemented or otherwise modified from time to time.

" BREP V " means (i) Blackstone Real Estate Partners V L.P., Blackstone Real Estate Partners V.TE.1 L.P., Blackstone Real Estate Partners V.TE.2 L.P. and Blackstone Real Estate Partners V.F L.P., each a Delaware limited partnership, (ii) any other Parallel Funds or other Supplemental Capital Vehicles (each as defined in the BREP V Partnership Agreement), or (iii) any other investment vehicle established pursuant to Article 2 of the respective partnership agreements for any of the partnerships referred to in clause (i) above.

" BREP V Agreements " means the BREP V Partnership Agreement and any other BREP V partnership agreements.

" BREP V Investment " means the Company's indirect interest in a specific BREP V investment pursuant to the BREP V Partnership Agreement in its capacity as an indirect partner of BREP V.

" BREP V Partnership Agreement " means the Amended and Restated Agreements of Limited Partnership, each dated as of the date hereof or other date set forth therein, of the partnerships referred to in clause (i) of the definition of "BREP V" in this Article I, and any other BREP V partnership agreement, as the same may be amended, supplemented or otherwise modified.

" Carried Interest " shall mean (i) distributions to the general partner of BREP V pursuant to paragraphs 4.2.1(c) and (d), paragraphs 4.2.2(c) and (d) and paragraph 4.2.8 of the BREP V Partnership Agreement (or similar provisions of investment vehicles formed after the date hereof) and (ii) any other carried interest payable pursuant to the BREP V Partnership Agreement. In the

case of each of (i) and (ii) above, except as determined by the Managing Member, the amount shall not be less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto (in each case which the Managing Member may allocate among all or any portion of the Investments as they determine in good faith is appropriate).

" Carried Interest Give Back Percentage " shall mean, for any Member or Withdrawn Member, subject to Section 5.8(e), the percentage determined by dividing (A) the aggregate amount of distributions received by such Member or Withdrawn Member from the Company, any Other Fund GPs or their affiliates, excluding Holdings, in respect of Carried Interest by (B) the aggregate amount of distributions made to all Members, Withdrawn Members or any other person by the Company, any Other Fund GP or their affiliates (in any capacity), excluding Holdings, in respect of Carried Interest. For purposes of determining "Carried Interest Give Back Percentage" hereunder, all Trust Amounts contributed to the Trust by the Company, Other Fund GPs or their affiliates on behalf of a Member or Withdrawn Member (but not the Trust Income thereon) shall be deemed to have been initially distributed or paid to the Members and Withdrawn Members as members or partners of the Company, any of the Other Fund GPs or their affiliates.

" Carried Interest Sharing Percentage " means, with respect to each Investment, the percentage interest of a Member in Carried Interest from such Investment set forth in the books and records of the Company.

" Cause " means the occurrence or existence of any of the following with respect to any Member, as determined fairly, reasonably, on an informed basis and in good faith by the Managing Member: (i) (w) any breach by any Member of any provision of any non-competition agreement, (x) any material breach of this Agreement or any rules or regulations applicable to such Member that are established by the Managing Member, (y) such Member's deliberate failure to perform his or her duties to the Company, or (z) such Member's committing to or engaging in any conduct or behavior that is or may be harmful to the Company in a material way as determined by the Managing Member; *provided*, that in the case of any of the foregoing clauses (w), (x), (y) and (z), the Managing Member has given such Member written notice (a "Notice of Breach") within fifteen days after the Managing Member becomes aware of such action and such Member fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt of such Notice of Breach from the Managing Member (or such longer period, not to exceed an additional fifteen days, as shall be reasonably required for such cure, provided that such Member is diligently pursuing such cure); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Company; or (iii) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a regulatory body or by a self-regulatory body having authority with respect to securities laws, rules or regulations of the applicable securities industry, that such Member individually has violated any applicable securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Member's ability to function as a Member of the Company, taking into account the services required of such Member and the nature of the Company's business or (B) the business of the Company.

" Charitable Organization " means an organization described in Section 170(c) of the Code (without regard to Section 170(c)(2)(A) thereof).

" Class A Interest " has the meaning set forth in Section 5.8(a)(i).

" Class B Interest " has the meaning set forth in Section 5.8(a)(i).

" Clawback Adjustment Amount " has the meaning set forth in Section 5.8(e)(ii)(C).

" Clawback Amount " shall mean the "Clawback Amount" and the "Interim Clawback Amount", both as set forth in Article One of the BREP V Partnership Agreement and any other clawback amount payable to the limited partners of BREP V pursuant to any BREP V Partnership Agreement, as applicable.

" Clawback Provisions " shall mean paragraphs 4.2.9 and 9.2.8 of the BREP V Partnership Agreement and any other similar provisions in any other BREP V Agreement existing heretofore or hereafter entered into.

" Code " means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute. Any reference herein to a particular provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

" Commitment ", with respect to any Member, has the meaning set forth in such Member's Commitment Agreement or SMD Agreement.

" Commitment Agreements " means a commitment agreement by which a Member has committed to fund certain amounts with respect to the BREP V Investments and certain expenses of BREP V.

" Company " has the meaning set forth in the preamble hereto.

" Contingent " means subject to repurchase rights and/or other requirements.

" Deceased Member " shall mean any Member or Withdrawn Member who has died or who suffers from Incompetence. For purposes hereof, references to a Deceased Member shall refer collectively to the Deceased Member and the estate and heirs or legal representative of such Deceased Member, as the case may be, that have received such Deceased Member's interest in the Company.

" Defaulting Party " has the meaning set forth in Section 5.8(d)(ii)(A).

" Default Interest Rate " shall mean the lower of (i) the sum of (a) the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, a New York banking corporation, as its prime rate and (b) 5%, or (ii) the highest rate of interest permitted under applicable law.

" Deficiency Contribution " has the meaning set forth in Section 5.8(d)(ii)(A).

" Disposable Investment " has the meaning set forth in Section 5.8(a)(i).

" Estate Planning Vehicle " has the meaning set forth in Section 6.3.

" Excess Holdback " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Holdback Percentage " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Tax-Related Amount " has the meaning set forth in Section 5.8(e)(i)(C).

" Existing Member " shall mean any Member who is neither a Retaining Withdrawn Member nor a Deceased Member.

" Firm Collateral " shall mean a Member's or Withdrawn Member's interest in one or more partnerships or limited liability companies, in either case affiliated with the Company, and certain other assets of such Member or Withdrawn Member, in each case that has been pledged or made available to the Trustee(s) to satisfy all or any portion of the Excess Holdback of such Member or Withdrawn Member as more fully described in the Company's books and records; provided , that for all purposes hereof (and any other agreement (e.g. , the Trust Agreement) that incorporates the meaning of the term "Firm Collateral" by reference), references to "Firm Collateral" shall include "Special Firm Collateral", excluding references to "Firm Collateral" in Section 4.1(d)(v) and Section 4.1(d)(viii).

" Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(v)(B) with respect to Firm Collateral, and Section 4.1(d)(viii)(B) with respect to Special Firm Collateral.

" Fiscal Year " shall mean a calendar year, or any other period chosen by the Managing Member.

" Fund GP " means the Company and the Other Fund GPs.

" GAAP " has the meaning specified in Section 5.1(a).

" Giveback " shall mean an "Investment-Specific Giveback", as such term is defined in Article One of the BREP V Partnership Agreement.

" Giveback Amount " shall mean an "Investment-Specific Giveback Amount", as such term is defined in Article One of the BREP V Partnership Agreement.

" Giveback Provisions " shall mean paragraph 3.4.3 of the BREP V Partnership Agreement and any other similar provisions in any other BREP V Agreement existing heretofore or hereafter entered into.

" Holdback " has the meaning set forth in Section 4.1(d)(i).

" Holdback Percentage " has the meaning set forth in Section 4.1(d)(i).

" Holdback Vote " has the meaning set forth in Section 4.1(d)(iv)(A).

" Holdings " has the meaning set forth in the preamble hereto.

" Incompetence " means, with respect to any Member, the determination by the Managing Member in its sole discretion, after consultation with a qualified medical doctor, that such Member is incompetent to manage his person or his property.

" Initial Holdback Percentages " has the meaning set forth in Section 4.1(d)(i).

" Interest " means a limited liability company interest (as defined in § 18-101(8) of the LLC Act) in the Company, including those that are held by a Retaining Withdrawn Member.

" Investment " means any investment (direct or indirect) of the Company designated by the Managing Member from time to time as an investment in which the Members' respective interests shall be established and accounted for on a basis separate from the Company's other businesses, activities and investments, including BREP V Investments.

" Investor Special Member " means any Special Member so designated at the time of its admission by the Managing Member as a Member of the Company.

" L/C " has the meaning set forth in Section 4.1(d)(vi).

" L/C Member " has the meaning set forth in Section 4.1(d)(vi).

" LLC Act " means the Delaware Limited Liability Company Act, 6 Del.C. § 18-101, et seq. , as it may be amended from time to time, and any successor to such Act.

" Loss Amount " has the meaning set forth in Section 5.8(e)(i)(A).

" Loss Investment " has the meaning set forth in Section 5.8(e).

" Majority in Interest of the Members " on any date (a " vote date ") means one or more persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date and who, as of the last day of the most recent accounting period ending on or prior to the vote date (or as of such later date on or prior to the vote date selected by the Managing Member as of which the Members' capital account balances can be determined), have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date.

" Managing Member " has the meaning specified in the preamble hereto.

" Member " means any person who is a member of the Company, including the Regular Members, the Managing Member and the Special Members. Except as otherwise specifically provided herein, no group of Members, including the Special Members and any group of Members in the same Member Category, shall have any right to vote as a class on any matter relating to the Company, including, but not limited to, any merger, reorganization, dissolution or liquidation.

" Member Category " shall mean the Managing Member, Existing Members, Retaining Withdrawn Members or Deceased Members, each referred to as a group for purposes hereof.

" Moody's " means Moody's Investors Services, Inc., or any successor thereto.

" Net Carried Interest Distribution " has the meaning set forth in Section 5.8(e)(i)(C).

" Net Carried Interest Distribution Recontribution Amount " has the meaning set forth in Section 5.8(e)(i)(C).

" Net Income (Loss) " has the meaning set forth in Section 5.1(a).

" Net Recontribution Amount " has the meaning set forth in Section 5.8(d)(i)(A).

" Non-Carried Interest " means, with respect to each Investment, all amounts of distributions, other than Carried Interest, received by the Company with respect to such Investment, less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto, in each case which the Managing Member may allocate to all or any portion of the Investments as they may determine in good faith is appropriate.

" Non-Carried Interest Sharing Percentage " means, with respect to each Investment, the percentage interest of a Member in Non-Carried Interest from such Investment set forth in the books and records of the Company.

" Non-Contingent " means generally not subject to repurchase rights or other requirements.

" Nonvoting Special Member " has the meaning set forth in Section 6.1(a).

" Other Fund GPs " means BREMA V, BRE Holdings V, BREA V, BRECA V, and any other entity (other than the Company) through which any Member, Withdrawn Member or any other person directly receives any amounts of Carried Interest, and any successor thereto; provided , that this includes any other entity which has in its organizational documents a provision which indicates that it is a "Fund GP" or an "Other Fund GP"; provided further , that notwithstanding any of the foregoing, none of Holdings, any estate planning vehicle established for the benefit of family members of any Member or any member or partner of any Other Fund GP shall be considered an "Other Fund GP" for purposes hereof; provided further , that the foregoing exclusion of such estate planning vehicles shall in no way limit such Members' obligations pursuant to Section 5.8(d).

" Parallel Fund " means any additional collective investment vehicles (or other similar arrangements) formed pursuant to paragraph 2.8 of the BREP V Partnership Agreement.

" Profit Sharing Percentage " means the "Carried Interest Sharing Percentage" and "Non-Carried Interest Sharing Percentage" of each Member; provided , that any references in this Agreement to Profit Sharing Percentages made (a) in connection with voting or voting rights or (b) capital contributions with respect to Investments (including Section 5.3(a)) shall mean the "Non-Carried Interest Sharing Percentage" of each Member; provided further , that any reference in this Agreement to Profit Sharing Percentages that specifically refers to Net Income unrelated to BREP V shall continue to refer to the amount of each Member's percentage interest in a category of Net Income (Loss) established by the Managing Member from time to time pursuant to Section 5.3.

" Qualifying Fund " means any fund designated by the Managing Member as a "Qualifying Fund".

" Recontribution Amount " has the meaning set forth in Section 5.8(d)(i)(A).

" Regular Member " shall mean any Member, excluding the Managing Member and any Special Member.

" Repurchase Period " has the meaning set forth in Section 5.8(c).

" Required Amounts " has the meaning set forth in Section 4.1(a).

" Required Rating " has the meaning set forth in Section 4.1(d)(vi).

" Retaining Withdrawn Member " shall mean a Withdrawn Member who has retained an Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Member shall be considered a Nonvoting Special Member for all purposes hereof.

" Securities " means any debt or equity securities of an Issuer and its subsidiaries and other Controlled Entities constituting part of an Investment, including without limitation common and preferred stock and interests in limited partnerships or limited liability companies (including warrants, rights, put and call options and other options relating thereto or any combination thereof), notes, bonds, debentures, trust receipts and other obligations, instruments or evidences of indebtedness, choses in action, other property or interests commonly regarded as securities, interests in real property, whether improved or unimproved, interests in oil and gas properties and mineral properties, short-term investments commonly regarded as money-market investments, bank deposits and interests in personal property of all kinds, whether tangible or intangible.

" Settlement Date " has the meaning set forth in Section 6.5(a).

" SMD Agreements " means the agreements between the Company and/or one or more of its affiliates and the Members, pursuant to which each Member undertakes certain obligations with respect to the Company and/or its affiliates. The SMD Agreements are hereby incorporated by reference as between the Company and the relevant Member.

" Special Firm Collateral " means interests in a Qualifying Fund or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) as more fully described in the Company's books and records.

" Special Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(viii)(B).

" Special Member " means any person shown on the books and records of the Company as a Special Member of the Company, including any Nonvoting Special Member, and any Investor Special Member.

" S&P " means Standard & Poor's Ratings Group, and any successor thereto.

" Subject Investment " has the meaning set forth in Section 5.8(e)(i).

" Subject Member " has the meaning set forth in Section 4.1(d)(iv)(A).

" Total Disability " means the inability of a Member substantially to perform the services required of a Regular Member for a period of six consecutive months by reason of physical or mental illness or incapacity and whether arising out of sickness, accident or otherwise.

" Trust Account " has the meaning set forth in the Trust Agreement.

" Trust Agreement " means the Trust Agreement, dated as of December 14, 2005, as amended to date, among the Members, the Trustee(s) and certain other persons that may receive distributions in respect of or relating to Carried Interest from time to time.

" Trust Amount " has the meaning set forth in the Trust Agreement.

" Trust Income " has the meaning set forth in the Trust Agreement.

" Trustee(s) " has the meaning set forth in the Trust Agreement.

" Unadjusted Carried Interest Distributions " has the meaning set forth in Section 5.8(e)(i)(B).

" Unallocated Percentage " has the meaning set forth in Section 5.3(b).

" Unrealized Net Income (Loss) " attributable to any BREP V Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such BREP V Investment if BREP V's entire portfolio of investments were sold on such date for cash in an amount equal to their aggregate value on such date (determined in accordance with Section 5.1(d)) and all distributions payable by BREP V to the Company (indirectly) pursuant to the BREP V Partnership Agreement with respect to such BREP V Investment were made on such date. "Unrealized Net Income (Loss)" attributable to any other Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such Investment if such Investment were sold on such date for cash in an amount equal to its value on such date (determined in accordance with Section 5.1).

" Withdraw " or " Withdrawal " with respect to a Member means a Member ceasing to be a member of the Company (except as a Retaining Withdrawn Member) for any reason (including death, disability, removal, resignation or retirement, whether such is voluntary or involuntary), unless the context shall limit the type of withdrawal to a specific reason, and "Withdrawn" with respect to a Member means, as aforesaid, a Member who has ceased to be a member of the Company.

" Withdrawal Date " has the meaning set forth in Section 6.5(a).

" Withdrawn Member " has the meaning set forth in Section 6.5(a).

1.2. Terms Generally . The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The term "person" includes individuals, partnerships (including limited liability partnerships), companies (including limited liability companies), joint ventures, corporations, trusts, governments (or agencies or political subdivisions thereof) and other associations and entities. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

GENERAL PROVISIONS

2.1. Managing, Regular and Special Members . The Members may be Managing Members, Regular Members or Special Members (including Nonvoting Special Members and Investor Special Members). The Managing Member as of the date hereof is Holdings. The Regular Members as of the date hereof are those persons shown as Regular Members on the signature pages hereof, and the Special Members as of the date hereof are persons shown as Special Members on the signature pages hereof.

2.2. Formation; Name; Foreign Jurisdictions . The Company was formed and is hereby continued as a limited liability company pursuant to the LLC Act and shall continue to conduct its activities under the name of BREA V L.L.C. The certificate of formation of the Company may be amended and/or restated from time to time by the Managing Member, as an "authorized person" (within the meaning of the LLC Act). The Managing Member is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

2.3. Term . The term of the Company shall continue until December 31, 2055, unless earlier dissolved and its affairs wound up in accordance with this Agreement.

2.4. Purpose; Powers . (a) The purpose of the Company shall be, directly or indirectly through subsidiaries or affiliates, (i) to serve as sole member of BREA V Sub and perform the functions of the sole member specified in the BREA V Sub LLC Agreement, (ii) to serve as a general partner of BREMA V and BRECA V and perform the functions of the general partner specified in the BREMA V Partnership Agreement and of a general partner specified in the BRECA V Partnership Agreement, (iii) to invest in Investments and to acquire and invest in Securities or other property (directly or indirectly), (iv) to serve as a general partner or limited partner of other partnerships and perform the functions of a general partner or limited partner specified in the respective partnership agreements, as amended, supplemented or otherwise modified from time to time, of any such partnership, (v) to serve as a member of limited liability companies and perform the functions of a member specified in the respective limited liability company agreements, as amended, supplemented or otherwise modified from time to time, of any such limited liability company, (vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the Managing Member and as are permitted under the LLC Act, the BREA V Sub LLC Agreement, the BREMA V Partnership Agreement, the BRE Holdings V Partnership Agreement, the BRECA V Partnership Agreement, and the respective partnership agreements, as amended, supplemented or otherwise modified from time to time, of any partnership referred to in clause (iv) above, and the respective limited liability company agreements, as amended, supplemented or otherwise modified from time to time, of any limited liability company referred to in clause (v) above, (vii) any other lawful purpose, and (viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purpose, the Company shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, as principal or agent, including the following:

(i) to buy, sell and otherwise acquire investments, whether such investments are readily marketable or not;

(ii) to invest and reinvest the cash assets of the Company in money-market or other short-term investments;

(iii) to hold, receive, mortgage, pledge, lease, transfer, exchange or otherwise dispose of, grant options with respect to, and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to, all property held or owned by the Company;

(iv) to borrow or raise money from time to time and to issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and non-negotiable instruments and evidences of indebtedness, to secure payment of the principal of any such indebtedness and the interest thereon by mortgage, pledge, conveyance or assignment in

trust of, or the granting of a security interest in, the whole or any part of the property of the Company, whether at the time owned or thereafter acquired, to guarantee the obligations of others and to buy, sell, pledge or otherwise dispose of any such instrument or evidence of indebtedness;

(v) to lend any of its property or funds, either with or without security, at any legal rate of interest or without interest;

(vi) to have and maintain one or more offices within or without the State of Delaware, and in connection therewith, to rent or acquire office space, engage personnel and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(vii) to open, maintain and close accounts, including margin accounts, with brokers;

(viii) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys;

(ix) to engage accountants, auditors, custodians, investment advisers, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate any of them as may be necessary or advisable;

(x) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, to form or cause to be formed and to participate in partnerships and joint ventures, whether foreign or domestic and to form or cause to be formed and be a member or manager or both of one or more limited liability companies;

(xi) to enter into, make and perform all contracts, agreements and other undertakings as may be necessary, convenient, advisable or incident to carrying out its purposes;

(xii) to sue and be sued, to prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment to claims against the Company, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xiii) to distribute, subject to the terms of this Agreement, at any time and from time to time to the Members cash or investments or other property of the Company, or any combination thereof; and

(xiv) to take such other actions necessary, desirable, convenient or incidental thereto and to engage in such other businesses as may be permitted under Delaware law.

2.5. Place of Business . The Company shall maintain an office and principal place of business at 345 Park Avenue, New York, New York 10154 or such other place or places as the Managing Member may designate from time to time. The Company shall maintain a registered office at The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The name and address of the Company's registered agent is The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The Managing Member may from time to time change the registered agent or office by an amendment to the certificate of formation of the Company.

ARTICLE III

MANAGEMENT

3.1. Managing Member . (a) Holdings shall be an original managing member (the " Managing Member "). The Managing Member shall cease to be the Managing Member only if it (i) Withdraws from the Company for any reason, (ii) consents in its sole discretion to resign as the Managing Member, or (iii) becomes the subject of a Final Event. The Managing Member may not be removed without its consent. There may be one or more Managing Members. In the event that one or more other Managing Members is admitted to the Company as such, all references herein to the "Managing Member" in the singular form shall be deemed to also refer to such other Managing Members as may be appropriate. The relative rights and responsibilities of such Managing Members will be as agreed upon from time to time between them.

(b) Upon the Withdrawal from the Company or voluntary resignation of the last remaining Managing Member, all of the powers formerly vested therein pursuant to this Agreement and the LLC Act shall be exercised by a Majority in Interest of the Members.

3.2. Member Voting, etc . (a) Meetings of the Members may be called only by the Managing Member.

(b) Except as otherwise expressly provided herein and except as may be expressly required by the LLC Act, Special Members as such shall have no right to, and shall not, take part in the management or control of the Company's business or act for or bind the Company, and shall have only the rights and powers granted to Special Members herein.

(c) To the extent a Member is entitled to vote with respect to any matter relating to the Company, such Member shall not be obligated to abstain from voting on any matter (or vote in any particular manner) because of any interest (or conflict of interest) of such Member (or any affiliate thereof) in such matter.

3.3. Management . (a) The management, control and operation of the Company and the formulation and execution of business and investment policy shall be vested in the Managing Member. The Managing Member shall, in its discretion, exercise all powers necessary and convenient for the purposes of the Company, including those enumerated in Section 2.4, on behalf and in the name of the Company. All decisions and determinations (howsoever described herein) to be made by the Managing Member pursuant to this Agreement shall be made in its sole discretion, subject only to the express terms and conditions of this Agreement.

(b) The Managing Member and any other person designated by the Managing Member, each acting individually, is hereby authorized and empowered, as an authorized person of the Company or an authorized person of the Managing Member, in each case within the meaning of the LLC Act, or otherwise (the Managing Member hereby authorizing and ratifying any of the following actions):

(i) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company and/or in the name and on behalf of the Company as general partner of each Partnership (as hereinafter defined)) any agreement of the Company (including, without limitation, any Partnership Agreement (as hereinafter defined)) or of any Partnership (and any amendments, restatements and/or supplements thereof), the certificate of formation of the Company (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of each

Partnership (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Company or any Partnership to qualify to do business in a jurisdiction in which the Company or such Partnership desires to do business;

(ii) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company and/or in the name and on behalf of Company as general partner of BREMA V in its capacity as general partner of each Blackstone Partnership (as hereinafter defined)) any agreement of BREMA V (including, without limitation, each Blackstone Partnership Agreement (as hereinafter defined)) or of any Blackstone Partnership (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of each Blackstone Partnership (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for any Blackstone Partnership to qualify to do business in a jurisdiction in which such Blackstone Partnership desires to do business;

(iii) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as sole member of BREA V Sub, on BREA V's own behalf or in BREA V's capacity as general partner of BREA V on its own behalf or in its capacity as general partner of BREP V), any of the following:

(A) any agreement, certificate, instrument or other document of BREA V Sub, BREA V or BREP V (and any amendments, restatements and/or supplements thereof), including, without limitation, the following: (I) the BREP V Partnership Agreement and the BREA V Partnership Agreement, (II) Subscription Agreements on behalf of BREP V, (III) side letters issued in connection with investments in BREP V, and (IV) such other agreements, instruments, certificates and other documents as may be necessary or desirable in furtherance of BREA V Sub's, BREA V's or BREP V's purposes (and any amendments, restatements and/or supplements of any of the foregoing referred to in (I) through (IV) hereof);

(B) the certificates of formation, certificate of limited partnership and/or other organizational documents of BREA V Sub, BREA V and BREP V (and any amendments, restatements and/or supplements thereof); and

(C) any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for BREA V Sub, BREA V and BREP V to qualify to do business in a jurisdiction in which BREA V Sub, BREA V or BREP V desires to do business;

(iv) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as sole member of BREA V Sub in its capacity as general partner of BREA V in its capacity as general partner of each Blackstone Entity) any agreement of BREA V (including, without limitation, each

Blackstone Entity Agreement) or of any Blackstone Entity (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of each Blackstone Entity (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for any Blackstone Entity to qualify to do business in a jurisdiction in which such Blackstone Entity desires to do business;

(v) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action in the name and on behalf of the Company and/or in the name and on behalf of the Company as general partner of each Partnership) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of the Company's or such Partnership's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of the Company and/or such Partnership, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of the Company or such Partnership or any banking facilities or services that may be utilized by the Company or such Partnership, and all checks, notes, drafts and other documents of the Company or such Partnership that may be required in connection with any such bank account or any such banking facilities or services, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and Managing Member, the Company and any Partnership, as applicable, for all purposes), and (E) any amendments, restatements and/or supplements of any of the foregoing;

(vi) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company and/or in the name and on behalf of the Company as general partner BREMA V in its capacity as a general partner of each Blackstone Partnership) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of BREMA V's or such Blackstone Partnership's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of BREMA V and/or such Blackstone Partnership, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of BREMA V or such Blackstone Partnership or any banking facilities or services that may be utilized by BREMA V or such Blackstone Partnership, and all checks, notes, drafts and other documents of BREMA V or such Blackstone Partnership that may be required in connection with any such bank account or any such banking facilities or services, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and Managing Member, the Company, BREMA V or any Blackstone Partnership, as applicable, for all purposes), and (E) any amendments, restatements and/or supplements of any of the foregoing;

(vii) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as sole member of BREA V Sub, on its own behalf or in its capacity as general partner of BREA V on its own behalf or in its capacity as general partner of BREP V): (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of BREA V Sub's, BREA V's or BREP V's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or

governmental or regulatory body on behalf of BREA V Sub, BREA V and/or BREP V, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of BREA V Sub, BREA V and/or BREP V or any banking facilities or services that may be utilized by BREA V Sub, BREA V and/or BREP V, and all checks, notes, drafts and other documents of BREA V Sub, BREA V and/or BREP V that may be required in connection with any such bank account or any such banking facilities or service, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and Managing Member, the Company, BREA V Sub, BREA V or BREP V, as applicable, for all purposes), and (E) any amendments, restatements and/or supplements of any of the foregoing; and

(viii) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as sole member of BREA V Sub in its capacity as general partner of BREA V in its capacity as general partner of each Blackstone Entity) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of any Blackstone Entity's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of any Blackstone Entity, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of any Blackstone Entity or any banking facilities or services that may be utilized by any Blackstone Entity, and all checks, notes, drafts and other documents of any Blackstone Entity that may be required in connection with any such bank account or any such banking facilities or services, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and Managing Member, the Company, BREA V Sub, BREA V or any Blackstone Entity, as applicable, for all purposes, and (E) any amendments, restatements and/or supplements of any of the foregoing.

The authority granted to any person (other than the Managing Member) in this Section 3.3(b) may be revoked at any time by the Managing Member by an instrument in writing signed by the Managing Member. As used in this Section 3.3(b), the following terms have the following meanings: " Blackstone Entities " means, collectively, BREH V and any other limited partnership (other than BREP V) of which BREA V is the general partner. " Blackstone Entity Agreements " means, collectively, the limited partnership or other governing agreements, as amended, restated and/or supplemented, of the Blackstone Entities. " Blackstone Partnerships " means, collectively, BRE Holdings V, BFREP V and any other limited partnership of which BREMA V is the general partner, " Blackstone Partnership Agreements " means, collectively, the limited partnership agreements, as amended, restated and/or supplemented, of the Blackstone Partnerships. " Partnerships " means, collectively, BREMA V, BRECA V and any other limited partnership of which the Company is the general partner. " Partnership Agreements " means, collectively, the limited partnership agreements, as amended, restated and/or supplemented, of the Partnerships.

Notwithstanding any provision of this Agreement or any other agreement to the contrary, (x) each and every agreement, certificate, instrument, notice, form, application or other document of the Company, BREA V Sub, BREA V, BREP V, BREMA V, any Blackstone Entity, any Blackstone Partnership or any Partnership referred to in this Section 3.3 (whether specifically or in general terms) (and any amendments, restatements and/or supplements of any thereof thereof) is hereby authorized, ratified, approved and confirmed in all respects, on behalf of the Company, BREA V Sub, BREA V, BREP V, BREMA V, any Blackstone Entity, any Blackstone Partnership or any Partnership (each in all

applicable capacities); (y) each of the Company, BREA V Sub, BREA V, BREP V, BREMA V, any Blackstone Entity, any Blackstone Partnership or any Partnership is hereby authorized, to execute and deliver, and to perform the applicable entity's obligations (including, without limitation, serving as general partner, sole member or in any other capacity) under, each such agreement, certificate, instrument, notice, form, application or other document (and any amendment, restatement and/or supplement of any thereof); and (z) to take any action, in the applicable capacity, contemplated by or arising out of each such agreement, certificate, instrument, notice, form, application or other document (and any amendment, restatement and/or supplement of any thereof), in each and every one of the foregoing cases (x), (y) and (z), without the need for any further act, vote or consent of any person

3.4. Responsibilities of Members . (a) Unless otherwise determined by the Managing Member in a particular case, each Regular Member shall devote substantially all his time and attention to the businesses of the Company and its affiliates, and each Special Member shall not be required to devote any time or attention to the businesses of the Company or its affiliates.

(b) All outside business or investment activities of the Members (including outside directorships or trusteeships), shall be subject to such rules and regulations as are established by the Managing Member from time to time.

(c) The Managing Member may from time to time establish such other rules and regulations applicable to Members or other employees as the Managing Member deems appropriate, including rules governing the authority of Members or other employees to bind the Company to financial commitments or other obligations.

3.5. Exculpation and Indemnification . (a) Liability to Members . Notwithstanding any other provision of this Agreement, whether express or implied, to the fullest extent permitted by law, no Member nor any of such Member's representatives, agents or advisors nor any partner, member, officer, employee, representative, agent or advisor of the Company or any of its affiliates (individually, a "Covered Person" and collectively, the "Covered Persons") shall be liable to the Company or any other Member for any act or omission (in relation to the Company, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) taken or omitted by a Covered Person (other than any act or omission constituting Cause), unless there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful. Each Covered Person shall be entitled to rely in good faith on the advice of legal counsel to the Company, accountants and other experts or professional advisors, and no action taken by any Covered Person in reliance on such advice shall in any event subject such person to any liability to any Member or the Company. To the extent that, at law or in equity, a Member has duties (including fiduciary duties) and liabilities relating thereto to the Company or to another Member, to the fullest extent permitted by law, such Member acting under this Agreement shall not be liable to the Company or to any such other Member for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of a Member otherwise existing at law or in equity, are agreed by the Members, to the fullest extent permitted by law, to modify to that extent such other duties and liabilities of such Member.

(b) Indemnification . To the fullest extent permitted by law, the Company shall indemnify and hold harmless (but only to the extent of the Company's assets (including, without limitation, the remaining Commitments of the Members) each Covered Person from and against any and all claims, damages, losses, costs, expenses and liabilities (including, without limitation, amounts paid in

satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim), joint and several, of any nature whatsoever, known or unknown, liquidated or unliquidated (collectively, " Losses "), arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of such Covered Person's management of the affairs of the Company or which relate to or arise out of or in connection with the Company, its property, its business or affairs (other than claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, arising out of any act or omission of such Covered Person constituting Cause); provided , that a Covered Person shall not be entitled to indemnification under this Section with respect to any claim, issue or matter if there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interest of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful; provided further , that if such Covered Person is a Member or a Withdrawn Member, such Covered Person shall bear its share of such Losses in accordance with such Covered Person's Profit Sharing Percentage in the Company as of the time of the actions or omissions that gave rise to such Losses. To the fullest extent permitted by law, expenses (including legal fees) incurred by a Covered Person (including, without limitation, the Managing Member) in defending any claim, demand, action, suit or proceeding may, with the approval of the Managing Member, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of a written undertaking by or on behalf of the Covered Person to repay such amount to the extent that it shall be subsequently determined that the Covered Person is not entitled to be indemnified as authorized in this Section, and the Company and its affiliates shall have a continuing right of offset against such Covered Person's interests/investments in the Company and such affiliates and shall have the right to withhold amounts otherwise distributable to such Covered Person to satisfy such repayment obligation. If a Member institutes litigation against a Covered Person which gives rise to an indemnity obligation hereunder, such Member shall be responsible, up to the amount of such Member's Interests and remaining Commitment, for such Member's pro rata share of the Company's expenses related to such indemnity obligation, as determined by the Managing Member. The Company may purchase insurance, to the extent available at reasonable cost, to cover losses, claims, damages or liabilities covered by the foregoing indemnification provisions. Members will not be personally obligated with respect to indemnification pursuant to this Section.

3.6. Tax Representation . Each Member certifies that (A) if the Member is a United States person (as defined in the Code) (x) (i) the Member's name, social security number (or, if applicable, employer identification number) and address provided to the Company and its affiliates pursuant to an IRS Form W-9, Payer's Request for Taxpayer Identification Number Certification ("W-9") or otherwise are correct and (ii) the Member will complete and return a W-9, and (y) (i) the Member is a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of a change to foreign (non-United States) status or (B) if the Member is not a United States person (as defined in the Code) (x) (i) the information on the completed IRS Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding ("W-8BEN") or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Partnership, or Certain U.S. Branches for United States Tax Withholding ("W-8IMY"), or otherwise is correct and (ii) the Member will complete and return the applicable IRS form, including but not limited to a W-8BEN or W-8IMY, and (y) (i) the Member is not a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of any change of such status. The Member agrees to properly execute and provide to the Company in a timely manner any tax documentation that may be reasonably required by the Managing Member.

ARTICLE IV

CAPITAL OF THE COMPANY

4.1. Capital Contributions by Members . (a) Except as agreed by the Managing Member and a Regular Member, such Regular Member shall not be required to make capital contributions equal to the Required Amounts as determined by the Managing Member from time to time; provided, that (i) such additional capital contributions may be made *pro rata* among the Regular Members based upon the allocation of the Carried Interest in each BREP V Investment by the Managing Member and (ii) additional capital contributions in excess of the Required Amounts which are to be used for ongoing business operations (as distinct from financing, legal or other specific liabilities of the Company. Special Members shall not be required to make additional capital contributions to the Company except (i) as a condition of an increase in such Special Member's Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the Managing Member and any Special Member may agree from time to time that such Special Member shall make an additional capital contribution to the Company; provided further, that each Investor Special Member shall maintain its capital account at a level equal to the product of (i) its Profit Sharing Percentage from time to time and (ii) the total capital of the Company.

(b) Each capital contribution by a Member shall be credited to the appropriate capital account of such Member in accordance with Section 5.2.

(c) The Managing Member may elect on a case by case basis to (i) cause the Company to loan any Member (including any additional Member admitted to the Company pursuant to Section 6.1) the amount of any capital contribution required to be made by such Member or (ii) permit any Member (including any additional Member admitted to the Company pursuant to Section 6.1 but excluding any Members that are also executive officers of The Blackstone Group L.P.) to make a required capital contribution to the Company in installments in kind, in each case on terms (including valuation of contributed property in the case of in kind contributions permitted by the Managing Member) determined by the Managing Member.

(d)(i) The Members and the Withdrawn Members have entered into the Trust Agreement, pursuant to which certain amounts of the distributions relating to the Carried Interest will be paid to the Trustee(s) for deposit in the Trust Account (such amounts to be paid to the Trustee(s) for deposit in the Trust Account constituting a " Holdback "). The Managing Member shall determine, as set forth below, the percentage of each distribution of Carried Interest that shall be withheld for each Member Category (such withheld percentage constituting such Member Category's " Holdback Percentage "). The applicable Holdback Percentages initially shall be 0% for the Managing Member, 15% for Existing Members (other than the Managing Member), 21% for Retaining Withdrawn Members and 24% for Deceased Members (the " Initial Holdback Percentages ").

(ii) The Holdback Percentage may not be reduced for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may only reduce the Holdback Percentages among the Member Categories on a proportionate basis. For example, if the Holdback Percentage for Existing Members is decreased to 12.5%, the Holdback Percentage for Retaining Withdrawn Members and Deceased Members shall be reduced to 17.5% and 20%, respectively. Any reduction in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such reduction.

(iii) The Holdback Percentage may not be increased for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may not increase the Retaining Withdrawn Members' Holdback

Percentage beyond 21% unless the Managing Member concurrently increases the Existing Members' Holdback Percentage to the Holdback Percentage of the Retaining Withdrawn Members. The Managing Member may not increase the Deceased Members' Holdback Percentage beyond 24% unless the Managing Member increases the Holdback Percentage for both Existing Members and Retaining Withdrawn Members to 24%. The Managing Member may not increase the Holdback Percentage of any Member Category beyond 24% unless such increase applies equally to all Member Categories. Any increase in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such increase. The foregoing shall in no way prevent the Managing Member from proportionately increasing the Holdback Percentage of any Member Category (following a reduction of the Holdback Percentages below the Initial Holdback Percentages), if the resulting Holdback Percentages are consistent with the above. For example, if the Managing Member reduces the Holdback Percentages for Existing Members, Retaining Withdrawn Members and Deceased Members to 12.5%, 17.5% and 20%, respectively, the Managing Member shall have the right to subsequently increase the Holdback Percentages to the Initial Holdback Percentages.

(iv)(A) Notwithstanding anything contained herein to the contrary, the Company may increase or decrease the Holdback Percentage for any Member in any Member Category (in such capacity, the " Subject Member ") pursuant to a majority vote of the Regular Members (a " Holdback Vote "); provided , that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to the Managing Member shall not be increased or decreased without its prior written consent; provided further , that a Subject Member's Holdback Percentage shall not be (I) increased prior to such time as such Subject Member (x) is notified by the Company of the decision to increase such Subject Member's Holdback Percentage and (y) has, if requested by such Subject Member, been given 30 days to gather and provide information to the Company for consideration before a second Holdback Vote (requested by the Subject Member) or (II) decreased unless such decrease occurs subsequent to an increase in a Subject Member's Holdback Percentage pursuant to a Holdback Vote under this clause (iv); provided further , that such decrease shall not exceed an amount such that such Subject Member's Holdback Percentage is less than the prevailing Holdback Percentage for the Member Category of such Subject Member; provided further , that a Member shall not vote to increase a Subject Member's Holdback Percentage unless such voting Member determines, in his good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Member, or any of his successors or assigns (including his estate or heirs) who at the time of such vote holds the Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Company meeting. Each Regular Member shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Regular Member's interest in the Company. Such vote may be cast by any Regular Member in person or by proxy.

(C) If the result of the second Holdback Vote is an increase in a Subject Member's Holdback Percentage, such Subject Member may submit the decision to an arbitrator, the identity of which is mutually agreed upon by both the Subject Member and the Company; provided , that if the Company and the Subject Member cannot agree upon a mutually satisfactory arbitrator within 10 days of the second Holdback Vote, each of the Company and the Subject Member shall request their candidate for arbitrator to select a third arbitrator satisfactory to such candidates; provided further , that if such candidates fail to agree upon a mutually satisfactory arbitrator within 30 days of such request, the then sitting President of the American Arbitration Association shall unilaterally select the arbitrator. Each Subject Member that submits the decision of the Company pursuant to the second Holdback Vote to arbitration and the Company shall estimate their reasonably projected out-of-pocket expenses relating thereto, and each such party shall, to the satisfaction of the arbitrator and prior to any determination being

made by the arbitrator, pay the total of such estimated expenses (i.e., both the Subject Member's and the Company's expenses) into an escrow account to be controlled by Simpson Thacher & Bartlett LLP, as escrow agent (or such other comparable law firm as the Company and the Subject Member shall agree). The arbitrator shall direct the escrow agent to pay out of such escrow account all expenses associated with such arbitration (including costs leading thereto) and to return to the "victorious" party the entire amount of funds such party paid into such escrow account. If the amount contributed to the escrow account by the losing party is insufficient to cover the expenses of such arbitration, such "losing" party shall then provide any additional funds necessary to cover such costs to such "victorious" party. For purposes hereof, the "victorious" party shall be the Company if the Holdback Percentage ultimately determined by the arbitrator is closer to the percentage determined in the second Holdback Vote than it is to the prevailing Holdback Percentage for the Subject Member's Member Category; otherwise, the Subject Member shall be the "victorious" party. The party that is not the "victorious" party shall be the "losing" party.

(D) in the event of a decrease in a Subject Member's Holdback Percentage (1) pursuant to a Holdback Vote under this clause (iv) or (2) pursuant to a decision of an arbitrator under paragraph (C) of this clause (iv), the Company shall release and distribute to such Subject Member any Trust Amounts (and the Trust Income thereon (except as expressly provided herein with respect to using Trust Income as Firm Collateral)) which exceed the required Holdback of such Subject Member (in accordance with such Subject Member's reduced Holdback Percentage) as though such reduced Holdback Percentage had applied since the increase of the Subject Member's Holdback Percentage pursuant to a previous Holdback Vote under this clause (iv).

(v)(A) If a Member's Holdback Percentage exceeds 15% (such percentage in excess of 15% constituting the " Excess Holdback Percentage "), such Member may satisfy the portion of his Holdback obligation in respect of his Excess Holdback Percentage (such portion constituting such Member's " Excess Holdback "), and such Member (or a Withdrawn Member with respect to amounts contributed to the Trust Account while he was a Member), to the extent his Excess Holdback obligation has previously been satisfied in cash, may obtain the release of the Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) satisfying such Member's or Withdrawn Member's Excess Holdback obligation, by pledging or otherwise making available to the Company, on a first priority basis (except as provided below), all or any portion of his Firm Collateral in satisfaction of his Excess Holdback obligation. Any Member seeking to satisfy all or any portion of the Excess Holdback utilizing Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Company to realize on (if required), such Firm Collateral; provided , that, in the case of entities listed in the Company's books and records, in which Members are permitted to pledge their interests therein to finance all or a portion of their capital contributions thereto (" Pledgable Blackstone Interests "), to the extent a first priority security interest is unavailable because of an existing lien on such Firm Collateral, the Member or Withdrawn Member seeking to utilize such Firm Collateral shall grant the Company a second priority security interest therein in the manner provided above; provided further , that (x) in the case of Pledgable Blackstone Interests, to the extent that neither a first priority nor a second priority security interest is available, or (y) if the Managing Member otherwise determines in its good faith judgment that a security interest in Firm Collateral (and the corresponding documents and actions) are not necessary or appropriate, the Member or Withdrawn Member shall (in the case of either clause (x) or (y) above) irrevocably instruct in writing the relevant partnership, limited liability company or other entity listed in the Company's books and records to remit any and all net proceeds resulting from a Firm Collateral Realization on such Firm Collateral to the Trustee(s) as more fully provided in clause (B) below. The Company shall, at the request of any Member or Withdrawn Member, assist such Member or Withdrawn Member in taking such action necessary to enable such Member or Withdrawn Member to use Firm Collateral as provided hereunder.

(B) If upon a sale or other realization of all or any portion of any Firm Collateral (a " Firm Collateral Realization "), the remaining Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement, then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Firm Collateral Realization (including distributions subject to the repayment of financing sources as in the case of Pledgable Blackstone Interests) shall be paid into the Trust Account to fully satisfy such Excess Holdback requirement (allocated to such Member or Withdrawn Member) and shall be deemed to be Trust Amounts for purposes hereunder. Any net proceeds from such Firm Collateral Realization in excess of the amount necessary to satisfy such Excess Holdback requirement shall be distributed to such Member or Withdrawn Member.

(C) Upon any valuation or revaluation of Firm Collateral that results in a decreased valuation of such Firm Collateral so that such Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement (including upon a Firm Collateral Realization, if net proceeds therefrom and the remaining Firm Collateral are insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement), the Company shall provide notice of the foregoing to such Member or Withdrawn Member and such Member or Withdrawn Member shall, within 30 days of receiving such notice, contribute cash (or additional Firm Collateral) to the Trust Account in an amount necessary to satisfy his Excess Holdback requirement. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that clause (A) of the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to a default under this clause (C); provided further , that for purposes of applying Section 5.8(d)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(vi) Any Member or Withdrawn Member may (A) obtain the release of any Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) or Firm Collateral, in each case, held in the Trust Account for the benefit of such Member or Withdrawn Member or (B) require the Company to distribute all or any portion of amounts otherwise required to be placed in the Trust Account (whether cash or Firm Collateral), by obtaining a letter of credit (an " L/C ") for the benefit of the Trustee(s) in such amounts. Any Member or Withdrawn Member choosing to furnish an L/C to the Trustee(s) (in such capacity, an " L/C Member ") shall deliver to the Trustee(s) an unconditional and irrevocable L/C from a commercial bank whose (x) short-term deposits are rated at least A-1 by S&P and P-1 by Moody's (if the L/C is for a term of 1 year or less), or (y) long-term deposits are rated at least A+ by S&P or A1 by Moody's (if the L/C is for a term of 1 year or more) (each a " Required Rating "). If the relevant rating of the commercial bank issuing such L/C drops below the relevant Required Rating, the L/C Member shall supply to the Trustee(s), within 30 days of such occurrence, a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, in lieu of the insufficient L/C. In addition, if the L/C has a term expiring on a date earlier than the latest possible termination date of BREP V, the Trustee(s) shall be permitted to drawdown on such L/C if the L/C Member fails to provide a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, at least 30 days prior to the stated expiration date of such existing L/C. The Trustee(s) shall notify an L/C Member 10 days prior to drawing on any L/C. The Trustee(s) may (as directed by the Company in the case of clause (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Member's obligation relating to the Company's obligations under the Clawback Provisions or (II) an L/C Member has not

provided a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating (or the requisite amount of cash and/or Firm Collateral (to the extent permitted hereunder)), at least 30 days prior to the stated expiration of an existing L/C in accordance with this clause (vi). The Trustee(s), as directed by the Company, shall return to any L/C Member his L/C upon (1) the termination of the Trust Account and satisfaction of the Company's obligations, if any, in respect of the Clawback Provisions, (2) an L/C Member satisfying his entire Holdback obligation in cash and Firm Collateral (to the extent permitted hereunder), or (3) the release, by the Trustee(s), as directed by the Company, of all amounts in the Trust Account to the Members or Withdrawn Members. If an L/C Member satisfies a portion of his Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the Company, release a portion of the amounts in the Trust Account to the Members or Withdrawn Members in the Member Category of such L/C Member, the L/C of an L/C Member may be reduced by an amount corresponding to such portion satisfied in cash and/or Firm Collateral (to the extent permitted hereunder) or such portion released by the Trustee(s), as directed by the Company; provided , that in no way shall the general release of any Trust Income cause an L/C Member to be permitted to reduce the amount of an L/C by any amount.

(vii)(A) Any in-kind distributions by the Company relating to Carried Interest shall be made in accordance herewith as though such distributions consisted of cash. The Company may direct the Trustee(s) to dispose of any in-kind distributions held in the Trust Account at any time. The net proceeds therefrom shall be treated as though initially contributed to the Trust Account.

(B) In lieu of the foregoing, any Existing Member may pledge with respect to any in-kind distribution the Special Firm Collateral referred to in asset category 6 on the Company's books and records; provided , that the initial contribution of such Special Firm Collateral shall initially equal 130% of the required Holdback Amount for a period of 90 days, and thereafter shall equal at least 115% of the required Holdback Amount. Paragraphs 4.1(d)(viii)(C) and (D) shall apply to such Special Firm Collateral. To the extent such Special Firm Collateral exceeds the applicable minimum percentage of the required Holdback Amount specified in the first sentence of this clause (vii)(B), the related Member may obtain a release of such excess amount from the Trust Account.

(viii)(A) Any Regular Member or Withdrawn Member may satisfy all or any portion of his Holdback (excluding any Excess Holdback), and such Member or a Withdrawn Member may, to the extent his Holdback (excluding any Excess Holdback) has been previously been satisfied in cash or by the use of an L/C as provided herein, obtain a release of Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) that satisfy such Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) by pledging to the Trustee(s) on a first priority basis all of his Special Firm Collateral in a particular Qualifying Fund, which at all times must equal or exceed the amount of the Holdback distributed to the Member or Withdrawn Member (as more fully set forth below). Any Member seeking to satisfy such Member's Holdback utilizing Special Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Trustee(s) to realize on (if required), such Special Firm Collateral.

(B) If upon a distribution, withdrawal, sale, liquidation or other realization of all or any portion of any Special Firm Collateral (a " Special Firm Collateral Realization "), the remaining Special Firm Collateral (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) is insufficient to cover any Member's or Withdrawn Member's Holdback (when taken together with other means of satisfying the Holdback as provided herein (i.e., cash contributed to the Trust Account or an L/C in the Trust Account)),

then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Special Firm Collateral Realization (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund or other asset and is being used in connection with an Excess Holdback) shall be paid into the Trust (and allocated to such Member or Withdrawn Member) to fully satisfy such Holdback and shall be deemed thereafter to be Trust Amounts for purposes hereunder. Any net proceeds from such Special Firm Collateral Realization in excess of the amount necessary to satisfy such Holdback (excluding any Excess Holdback) shall be distributed to such Member or Withdrawn Member. To the extent a Qualifying Fund distributes Securities to a Member or Withdrawn Member in connection with a Special Firm Collateral Realization, such Member or Withdrawn Member shall be required to promptly fund such Member's or Withdrawn Member's deficiency with respect to his Holdback in cash or an L/C.

(C) Upon any valuation or revaluation of the Special Firm Collateral and/or any adjustment in the Applicable Collateral Percentage applicable to a Qualifying Fund (as provided in the Company's books and records), if such Member's or Withdrawn Member's Special Firm Collateral is valued at less than such Member's Holdback (excluding any Excess Holdback) as provided in the Company's books and records, taking into account other permitted means of satisfying the Holdback hereunder, the Company shall provide notice of the foregoing to such Member or Withdrawn Member and, within 10 business days of receiving such notice, such Member or Withdrawn Member shall contribute cash or additional Special Firm Collateral to the Trust Account in an amount necessary to make up such deficiency. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to such default; provided further , that for purposes of applying Section 5.8 (d)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(D) Upon a Member becoming a Withdrawn Member, at any time thereafter the Managing Member may revoke the ability of such Withdrawn Member to use Special Firm Collateral as set forth in this Section 4.1(d)(viii), notwithstanding anything else in this Section 4.1(d)(viii). In that case the provisions of clause (C) above shall apply to the Withdrawn Member's obligation to satisfy the Holdback (except that 30 days' notice of such revocation shall be given), given that the Special Firm Collateral is no longer available to satisfy any portion of the Holdback (excluding any Excess Holdback).

(E) Nothing in this Section 4.1(d)(viii) shall prevent any Member or Withdrawn Member from using any amount of such Member's interest in a Qualifying Fund as Firm Collateral; provided that at all times Section 4.1(d)(v) and this Section 4.1(d)(viii) are each satisfied.

4.2. Interest . Interest on the balances of the Members' capital (excluding capital invested in Investments and, if deemed appropriate by the Managing Member, capital invested in any other investment of the Company) shall be credited to the Members' capital accounts at the end of each accounting period pursuant to Section 5.2, or at any other time as determined by the Managing Member, at rates determined by the Managing Member from time to time, and shall be charged as an expense of the Company.

4.3. Withdrawals of Capital . The Members may not withdraw capital from the Company except (i) for distributions of cash or other property pursuant to Section 5.8, (ii) as otherwise expressly provided in this Agreement or (iii) as determined by the Managing Member.

ARTICLE V

PARTICIPATION IN PROFITS AND LOSSES

5.1. General Accounting Matters . (a) Net Income (Loss) shall be determined by the Managing Member at the end of each accounting period and shall be allocated as described in Section 5.4.

(b) " Net Income (Loss) " from any activity of the Company for any accounting period (other than Net Income (Loss) from Investments described below) means (i) the gross income realized by the Company from such activity during such accounting period less (ii) all expenses of the Company, and all other items that are deductible from gross income, for such accounting period that are allocable to such activity (determined as provided below).

" Net Income (Loss) " from any Investment for any accounting period in which such Investment has not been sold or otherwise disposed of means (i) the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) all expenses of the Company for such accounting period that are allocable to such Investment (determined as provided below).

" Net Income (Loss) " from any Investment for the accounting period in which such Investment is sold or otherwise disposed of means (i) the sum of the gross proceeds from the sale or other disposition of such Investment and the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) the sum of the cost or other basis to the Company of such Investment and all expenses of the Company for such accounting period that are allocable to such Investment.

Net Income (Loss) shall be determined in accordance with the accounting method used by the Company for U.S. federal income tax purposes with the following adjustments: (i) any income of the Company that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Net Income (Loss) shall be added to such taxable income or loss; (ii) if any asset has a value on the books of the Company that differs from its adjusted tax basis for U.S. federal income tax purposes, any depreciation, amortization or gain resulting from a disposition of such asset shall be calculated with reference to such value; (iii) upon an adjustment to the value of any asset on the books of the Company pursuant to Regulation Section 1.704-1(b)(2), the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (iv) any expenditures of the Company not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Net Income (Loss) pursuant to this definition shall be treated as deductible items; (v) any income from an Investment that is payable to Company employees in respect of "phantom interests" in such Investment awarded by the Managing Member to employees shall be included as an expense in the calculation of Net Income (Loss) from such Investment, and (vi) items of income and expense (including interest income and overhead and other indirect expenses) of the Company, Holdings and other affiliates of the Company shall be allocated among the Company, Holdings and such affiliates, among various Company activities and Investments and between accounting periods, in each case as determined by the Managing Member. Any adjustments to Net Income (Loss) by the Managing Member, including adjustments for items of income accrued but not yet received, unrealized gains, items of expense accrued but not yet paid, unrealized losses, reserves (including reserves for taxes, bad debts, actual or threatened litigation, or any other expenses, contingencies or obligations) and other appropriate items shall be made in accordance with U.S. generally accepted accounting principles (" GAAP "); provided , that the Managing Member shall not be required to make any such adjustment.

(c) An accounting period shall be a Fiscal Year, except that, at the option of the Managing Member, an accounting period will terminate and a new accounting period will begin on the admission date of an additional Member or the Settlement Date of a Withdrawn Member, if any such date is not the first day of a Fiscal Year. If any event referred to in the preceding sentence occurs and the Managing Member do not elect to terminate an accounting period and begin a new accounting period, then the Managing Member may make such adjustments as it deems appropriate to the Members' Profit Sharing Percentages for the accounting period in which such event occurs (prior to any allocations of Unallocated Percentages or adjustments to Profit Sharing Percentages pursuant to Section 5.3) to reflect the Members' average Profit Sharing Percentages during such accounting period; provided , that the Profit Sharing Percentages of Members in Net Income (Loss) from Investments acquired during such accounting period will be based on Profit Sharing Percentages in effect when each such Investment was acquired.

(d) In establishing Profit Sharing Percentages and allocating Unallocated Percentages pursuant to Section 5.3, the Managing Member may consider such factors as it deems appropriate.

(e) All determinations, valuations and other matters of judgment required to be made for accounting purposes under this Agreement shall be made by the Managing Member and approved by the Company's independent accountants. Such approved determinations, valuations and other accounting matters shall be conclusive and binding on all Members, all Withdrawn Members, their successors, heirs, estates or legal representatives and any other person, and to the fullest extent permitted by law no such person shall have the right to an accounting or an appraisal of the assets of the Company or any successor thereto.

5.2. Capital Accounts . (a) There shall be established for each Member on the books of the Company, to the extent and at such times as may be appropriate, one or more capital accounts as the Managing Member may deem to be appropriate for purposes of accounting for such Member's interests in the capital and Net Income (Loss) of the Company.

(b) As of the end of each accounting period or, in the case of a contribution to the Company by one or more of the Members or a distribution by the Company to one or more of the Members, at the time of such contribution or distribution, (i) the appropriate capital accounts of each Member shall be credited with the following amounts: (A) the amount of cash and the value of any property contributed by such Member to the capital of the Company during such accounting period, (B) the Net Income allocated to such Member for such accounting period and (C) the interest credited on the balance of such Member's capital for such accounting period pursuant to Section 4.2; and (ii) the appropriate capital accounts of each Member shall be debited with the following amounts: (x) the amount of cash, the principal amount of any subordinated promissory note of the Company referred to in Section 6.5(k) (as such amount is paid) and the value of any property distributed to such Member during such accounting period and (y) the Net Loss allocated to such Member for such accounting period.

5.3. Profit Sharing Percentages . (a) Prior to the beginning of each annual accounting period, the Managing Member shall establish the profit sharing percentage (the " Profit Sharing Percentage ") of each Member in each category of Net Income (Loss) for such annual accounting period pursuant to Section 5.1(a) taking into account such factors as the Managing Member deems appropriate, including those referred to in Section 5.1(c); provided , that (i) the Managing Member may elect to establish Profit Sharing Percentages in Net Income (Loss) from any Investment acquired by the Company during such accounting period at the time such Investment is acquired in accordance with paragraph (d) below and (ii) Net Income (Loss) for such accounting period from any Investment shall be allocated in accordance with the Profit Sharing Percentages in such Investment established in accordance with

paragraph (d) below. The Managing Member may establish different Profit Sharing Percentages for any Member in different categories of Net Income (Loss). In the case of the Withdrawal of a Member, such former Member's Profit Sharing Percentages shall be allocated by the Managing Member to one or more of the remaining Members. In the case of the admission of any Member to the Company as an additional Member, the Profit Sharing Percentages of the other Members shall be reduced by an amount equal to the Profit Sharing Percentage allocated to such new Member pursuant to Section 6.1(b); such reduction of each other Member's Profit Sharing Percentage shall be pro rata based upon such Member's Profit Sharing Percentage as in effect immediately prior to the admission of the new Member. Notwithstanding the foregoing, the Managing Member may also adjust the Profit Sharing Percentage of any Member for any annual accounting period at the end of such annual accounting period in its sole discretion.

(b) The Managing Member may elect to allocate to the Members less than 100% of the Profit Sharing Percentages of any category for any annual accounting period at the time specified in Section 5.3(a) for the annual fixing of Profit Sharing Percentages (any remainder of such Profit Sharing Percentages being called an " Unallocated Percentage "); provided , that any Unallocated Percentage in any category of Net Income (Loss) for any annual accounting period that is not allocated by the Managing Member within 90 days after the end of such accounting period shall be deemed to be allocated among all Members (including the Managing Member) in the manner determined by the Managing Member in its sole discretion.

(c) Unless otherwise determined by the Managing Member in a particular case, (i) Profit Sharing Percentages in Net Income (Loss) from any Investment shall be established in proportion to the Members' respective capital contributions in respect of such Investment and (ii) Profit Sharing Percentages in Net Income (Loss) from each Investment shall be fixed at the time such Investment is acquired and shall not thereafter change, subject to any repurchase rights established by the Managing Member pursuant to Section 5.7.

5.4. Allocations of Net Income (Loss) . (a) Except as provided in Sections 5.4(d) and 5.4(e), Net Income of the Company for each Investment shall be allocated to the capital accounts related to such Investment of all the Members participating in such Investment (including the Managing Member): first, in proportion to and to the extent of the amount of Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest distributed to the Members; second, to Members that received Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest in years prior to the years such Net Income is being allocated to the extent such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest exceeded Net Income allocated to such Members in such earlier years; and third, to the Members in the same manner that such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest would have been distributed if cash were available to distribute with respect thereto.

(b) Net Loss of the Company shall be allocated as follows: (i) Net Loss relating to realized losses suffered by BREP V and allocated to the Company with respect to its pro rata share thereof (based on capital contributions made to BREP V) shall be allocated to the Members in accordance with each Member's Non-Carried Interest Sharing Percentage with respect to the Investment giving rise to such loss suffered by BREP V and (ii) Net Loss relating to realized losses suffered by BREP V and allocated to the Company with respect to the Carried Interest shall be allocated in accordance with a Member's (including Withdrawn Member's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)).

(c) Notwithstanding Section 5.4(a) above, Net Income relating to Carried Interest allocated after the allocation of a Net Loss pursuant to clause (ii) of Section 5.4(b) shall be allocated in

accordance with such Carried Interest Give Back Percentages until such time as the Members have been allocated Net Income relating to Carried Interest equal to the aggregate amount of Net Loss previously allocated in accordance with clause (ii) of Section 5.4(b). Withdrawn Members shall remain Members for purposes of allocating such Net Loss with respect to Carried Interest.

(d) To the extent the Company has any Net Income (Loss) for any accounting period unrelated to BREP V, such Net Income (Loss) will be allocated in accordance with Profit Sharing Percentages prevailing at the beginning of such accounting period, except as provided in Section 5.4(e).

(e) The Managing Member may authorize from time to time advances to Members against their allocable shares of Net Income (Loss).

5.5. Liability of Members . Except as otherwise provided in the LLC Act or as expressly provided in this Agreement, no Member shall be personally obligated for any debt, obligation or liability of the Company or of any other Member solely by reason of being a Member. In no event shall any Member or Withdrawn Member (i) be obligated to make any capital contribution or payment to or on behalf of the Company or (ii) have any liability to return distributions received by such Member from the Company, in each case except as specifically provided in Sections 4.1(d) or 5.8 or otherwise in this Agreement, as such Member shall otherwise expressly agree in writing or as may be required by applicable law.

5.6. [Intentionally omitted.]

5.7. Repurchase Rights, etc. The Managing Member may from time to time establish such repurchase rights and/or other requirements with respect to the Members' Interests relating to BREP V Investments as the Managing Member may determine. The Managing Member shall have authority to (a) withhold any distribution otherwise payable to any Member until any such repurchase rights have lapsed or any such requirements have been satisfied, (b) pay any distribution to any Member that is Contingent as of the distribution date and require the refund of any portion of such distribution that is Contingent as of the Withdrawal Date of such Member, (c) amend any previously established repurchase rights or other requirements from time to time and (d) make such exceptions thereto as it may determine on a case by case basis.

5.8. Distributions . (a) (i) The Company shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Members at such times and in such amounts as are determined by the Managing Member. The Managing Member shall, if it deems it appropriate, determine the availability for distribution of, and distribute cash or other property separately for each category of Net Income (Loss) established pursuant to Section 5.1(a). Distributions of cash or other property with respect to Non-Carried Interest shall be made among the Members in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Sections 4.1(d) and 5.8(e), distributions of cash or other property with respect to Carried Interest shall be made among Members in accordance with their respective Carried Interest Sharing Percentages. At any time that a sale, exchange, transfer or other disposition by BREP V of a portion of an Investment is being considered by the Company (a " Disposable Investment "), at the election of the Managing Member each Member's Interest with respect to such Investment shall be vertically divided into two separate Interests, an Interest attributable to the Disposable Investment (a Member's " Class B Interest "), and an Interest attributable to such Investment excluding the Disposable Investment (a Member's " Class A Interest "). Distributions (including those resulting from a sale,

transfer, exchange or other disposition by BREP V) relating to a Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class B Interests with respect to such Investment in accordance with their Profit Sharing Percentages relating to such Class B Interests, and distributions (including those resulting from the sale, transfer, exchange or other disposition by BREP V) relating to an Investment excluding such Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class A Interests with respect to such Investment in accordance with their respective Profit Sharing Percentages relating to such Class A Interests. Except as provided above, distributions of cash or other property with respect to each category of Net Income (Loss) shall be allocated among the Members in the same proportions as the allocations of Net Income (Loss) of each such category.

(b) Subject to the Company's having sufficient available cash in the reasonable judgment of the Managing Member, the Company shall make cash distributions to each Member with respect to each Fiscal Year of the Company in an aggregate amount at least equal to the total Federal, New York State and New York City income and other taxes that would be payable by such Member with respect to all categories of Net Income (Loss) allocated to such Member for such Fiscal Year, the amount of which shall be calculated (i) on the assumption that each Member is an individual subject to the then prevailing maximum Federal, New York State and New York City income tax rates, (ii) taking into account the deductibility of state and local income and other taxes for Federal income tax purposes and (iii) taking into account any differential in applicable rates due to the type and character of Net Income (Loss) allocated to such Member. Notwithstanding the provisions of the foregoing sentence, the Managing Member may refrain from making any distribution if, in the reasonable judgment of the Managing Member, such distribution is prohibited by § 18-607 of the LLC Act.

(c) The Managing Member may provide that the Member Interest of any Member or employee (including such Member's or employee's right to distributions and investments of the Company related thereto) may be subject to repurchase by the Company during such period as the Managing Member shall determine (a " Repurchase Period "). Any Contingent distributions from investments subject to repurchase rights will be withheld by the Company and will be distributed to the recipient thereof (together with interest thereon at rates determined by the Managing Member from time to time) as the recipient's rights to such distributions become Non-Contingent (by virtue of the expiration of the applicable Repurchase Period or otherwise). The Managing Member may elect in an individual case to have the Company distribute any Contingent distribution to the applicable recipient thereof irrespective of whether the applicable Repurchase Period has lapsed. If a Member Withdraws from the Company for any reason other than his death, Total Disability or Incompetence, the undistributed share of any investment that remains Contingent as of the applicable Withdrawal Date shall be repurchased by the Company at a purchase price determined at such time by the Managing Member. Unless determined otherwise by the Managing Member, the repurchased portion thereof will be allocated among the remaining Members with interests in such investment in proportion to their respective percentage interests in such investment, or if no other Member has a percentage interest in such specific investment, to the Managing Member; provided , that the Managing Member may allocate the Withdrawn Member's share of a repurchased investment attributable to the period after the Withdrawn Member's Withdrawal Date on any basis it may determine, including to existing or new Members who did not previously have interests in such investment, except that, in any event, each Investor Special Member shall be allocated a share of such unrealized investment income equal to its respective Profit Sharing Percentage of such unrealized investment income.

(d)(i) (A) If the Company is obligated to contribute to BREP V, directly or indirectly through one or more affiliates, a Clawback Amount or Giveback Amount payable pursuant to the Clawback Provisions or Giveback Provisions, as the case may be, the Company shall call for such amounts as are necessary to satisfy such obligations as determined by the Managing Member, in which case each Member and Withdrawn Member shall contribute to the Company, in cash, when and as called by the Company, such an amount of prior distributions by the Company (and the Other Fund GPs) with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the " Recontribution Amount ") which equals (I) the product of (a) a Member's or Withdrawn Member's

Carried Interest Give Back Percentage and (b) the aggregate Clawback Amount payable by the Company in the case of Clawback Amounts and (II) with respect to a Giveback, such Member's pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the BREP V Investment giving rise to the Giveback Amount, (b) if the amounts contributed pursuant to clause (II)(a) above are insufficient to satisfy such Giveback Amount, BREP V Investments other than the one giving rise to such obligation, but only those amounts received by the Members with an interest in the BREP V Investment referred to in clause (II)(a) above and (c) if the Giveback Amount is unrelated to a specific BREP V Investment, all BREP V Investments. Each Member and Withdrawn Member shall promptly contribute to the Company, along with satisfying his comparable obligations to the Other Fund GPs, if any, upon such call such Member's or Withdrawn Member's Recontribution Amount, less the amount paid out of the Trust Account on behalf of such Member or Withdrawn Member by the Trustee(s) pursuant to written instructions from the Company, or if applicable, any of the Other Fund GPs with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the " Net Recontribution Amount "), irrespective of the fact that the amounts in the Trust Account may be sufficient on an aggregate basis to satisfy the Company's, BREA V's, BRE Holdings V's, BREMA V's and the Other Fund GPs' obligation under the Clawback Provisions and/or Giveback Provisions; provided , that to the extent a Member's or Withdrawn Member's share of the amount paid with respect to the Clawback Amount or the Giveback Provisions exceeds his Recontribution Amount, such excess shall be repaid to such Member or Withdrawn Member as promptly as reasonably practicable, subject to clause (ii) below; provided further , that such written instructions from the Company shall specify each Member's and Withdrawn Member's Recontribution Amount. Prior to such time, the Company may, in its discretion (but shall be under no obligation to), provide notice that in the Company's judgment, the potential obligations in respect of the Clawback Provisions or the Giveback Provisions will probably materialize (and an estimate of the aggregate amount of such obligations); provided further , that any amount from a Member's Trust Account used to pay any Giveback Amount (or such lesser amount as may be required by the Managing Member) shall be contributed by such Member to such Member's Trust Account no later than 30 days after the Net Recontribution Amount is paid with respect to such Giveback.

(B) To the extent any Member or Withdrawn Member has satisfied any Holdback obligation with Firm Collateral, such Member or Withdrawn Member shall, within 10 days of the Company's call for Recontribution Amounts, make a cash payment into the Trust Account in an amount equal to the amount of the Holdback obligation satisfied with such Firm Collateral, or such lesser amount such that the amount in the Trust Account allocable to such Member or Withdrawn Member equals the sum of (I) such Member's or Withdrawn Member's Recontribution Amount and (II) any similar amounts payable to any of the Other Fund GPs. Immediately upon receipt of such cash, the Trustee (s) shall take such steps as are necessary to release such Firm Collateral of such Member or Withdrawn Member equal to the amount of such cash payment. If the amount of such cash payment is less than the amount of Firm Collateral of such Member or Withdrawn Member, the balance of such Firm Collateral if any, shall be retained to secure the payment of Deficiency Contributions, if any, and shall be fully released upon the satisfaction of the Company's and the Other Fund GPs' obligation to pay the Clawback Amount. The failure of any Member or Withdrawn Member to make a cash payment in accordance with this clause (B) (to the extent applicable) shall constitute a default under Section 5.8(d)(ii) as if such cash payment hereunder constitutes a Net Recontribution Amount under Section 5.8(d)(ii).

(ii)(A) In the event any Member or Withdrawn Member (a " Defaulting Party ") fails to recontribute all or any portion of such Defaulting Party's Net Recontribution Amount for any reason, the Company shall require all other Members and Withdrawn Members to contribute, on a pro rata basis (based on each of their respective Carried Interest Give Back Percentages in the case of Clawback Amounts, and Profit Sharing Percentages in the case of Giveback Amounts (as more fully described in clause (II) of Section 5.8(d)(i)(A) above)), such amounts as are necessary to fulfill the Defaulting Party's obligation to pay such Defaulting Party's Net Recontribution Amount (a " Deficiency

Contribution ") if the Managing Member determines in its good faith judgment that the Company will be unable to collect such amount in cash from such Defaulting Party for payment of the Clawback Amount or Giveback Amount, as the case may be, at least 20 Business Days prior to the latest date that the Company, and the Other Fund GPs, if applicable, are permitted to pay the Clawback Amount or Giveback Amount, as the case may be; provided , that, subject to Section 5.8(e), no Member or Withdrawn Member shall as a result of such Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of the Net Recontribution Amount initially requested from such Member or Withdrawn Member in respect of such default. Thereafter, the Managing Member shall determine in its good faith judgment that the Company should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the Managing Member or (2) pursue any and all remedies (at law or equity) available to the Company against the Defaulting Party, the cost of which shall be a Company expense to the extent not ultimately reimbursed by the Defaulting Party. It is agreed that the Company shall have the right (effective upon such Defaulting Party becoming a Defaulting Party) to set-off as appropriate and apply against such Defaulting Party's Net Recontribution Amount any amounts otherwise payable to the Defaulting Party by the Company or any affiliate thereof (including amounts unrelated to Carried Interest, such as returns of capital and profit thereon). Each Member and Withdrawn Member hereby grants to the Company a security interest, effective upon such Member or Withdrawn Member becoming a Defaulting Party, in all accounts receivable and other rights to receive payment from any affiliate of the Company and agrees that, upon the effectiveness of such security interest, the Company may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member and Withdrawn Member hereby appoints the Company as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Member or Withdrawn Member or in the name of the Company, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Company shall be entitled to collect interest on the Net Recontribution Amount of a Defaulting Party from the date such Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(B) Any Member's or Withdrawn Member's failure to make a Deficiency Contribution shall cause such Member or Withdrawn Member to be a Defaulting Party with respect to such amount. The Company shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Member or Withdrawn Member to satisfy such Member's or Withdrawn Member's obligation to make a Deficiency Contribution before seeking cash contributions from such Member or Withdrawn Member in satisfaction of such Member's or Withdrawn Member's obligation to make a Deficiency Contribution.

(iii) A Member's or Withdrawn Member's obligation to make contributions to the Company under this Section 5.8(d) shall survive the termination of the Company.

(e) The Members acknowledge that the Managing Member will (and is hereby authorized to) take such steps as it deems appropriate, in its good faith, to further the objective of providing for the fair and equitable treatment of all Members, including by allocating Writedowns and Losses (as defined in the BREP V Partnership Agreement) on BREP V Investments that have been the subject of a Writedown and/or Losses (each, a " Loss Investment ") to those Members who participated in such Loss Investments based on their Carried Interest Sharing Percentage therein to the extent that such Members receive or have received Carried Interest distributions from other BREP V Investments. Consequently and notwithstanding anything herein to the contrary, adjustments to Carried Interest distributions shall be made as set forth in this Section 5.8(e).

(i) At the time the Company is making Carried Interest distributions in connection with a BREP V Investment (the " Subject Investment ") that have been reduced under the

BREP V Partnership Agreement as a result of one or more Loss Investments, the Managing Member shall calculate amounts distributable to or due from each such Member as follows:

(A) determine each Member's share of each such Loss Investment based on his Carried Interest Sharing Percentage in each such Loss Investment (which may be zero) to the extent such Loss Investment has reduced the Carried Interest distributions otherwise available for distribution to all Members (indirectly through the Company from BREP V) from the Subject Investment (such reduction, the " Loss Amount ");

(B) determine the amount of Carried Interest distributions otherwise distributable to such Member with respect to the Subject Investment (indirectly through the Company from BREP V) before any reduction in respect of the amount determined in clause (A) above (the " Unadjusted Carried Interest Distributions "); and

(C) subtract (I) the Loss Amounts relating to all Loss Investments from (II) the Unadjusted Carried Interest Distributions for such Member, to determine the amount of Carried Interest distributions to actually be paid to such Member (" Net Carried Interest Distribution ").

To the extent that the Net Carried Interest Distribution for a Member as calculated in this clause (i) is a negative number, the Managing Member shall (I) notify such Member, at or prior to the time such Carried Interest distributions are actually made to the Members, of his obligation to recontribute to the Company prior Carried Interest distributions (a " Net Carried Interest Distribution Recontribution Amount "), up to the amount of such negative Net Carried Interest Distribution, and (II) to the extent amounts recontributed pursuant to clause (I) are insufficient to satisfy such negative Net Carried Interest Distribution amount, reduce future Carried Interest distributions otherwise due such Member, up to the amount of such remaining negative Net Carried Interest Distribution. If a Member's (x) Net Carried Interest Distribution Recontribution Amount exceeds (y) the aggregate amount of prior Carried Interest distributions less the amount of tax thereon, calculated based on the Assumed Tax Rate (as defined in the BREP V Partnership Agreement) in effect in the Fiscal Years of such distributions (the " Excess Tax-Related Amount "), then such Member may, in lieu of paying such Member's Excess Tax-Related Amount, defer such amounts as set forth below. Such deferred amount shall accrue interest at the Prime Rate. Such deferred amounts shall be reduced and repaid by the amount of Carried Interest otherwise distributable to such Member in connection with future Carried Interest distributions until such balance is reduced to zero. Any deferred amounts shall be payable in full upon the earlier of (i) such time as the Clawback is determined (as provided herein) and (ii) such time as the Member becomes a Withdrawn Member.

To the extent there is an amount of negative Net Carried Interest Distribution with respect to a Member remaining after the application of this clause (i), notwithstanding clause (II) of the preceding paragraph, such remaining amount of negative Net Carried Interest Distribution shall be allocated to the other Members pro rata based on each of their Carried Interest Sharing Percentages in the Subject Investment.

A Member who fails to pay a Net Carried Interest Distribution Recontribution Amount promptly upon notice from the Managing Member (as provided above) shall be deemed a Defaulting Party for all purposes hereof.

A Member may satisfy in part any Net Carried Interest Distribution Recontribution Amount from cash that is then subject to a Holdback, to the extent that the amounts that remain subject to a Holdback satisfy the Holdback requirements hereof as they relate to the reduced amount of aggregate Carried Interest distributions received by such Member (taking into account any Net Carried Interest Distribution Recontribution Amount contributed to the Company by such Member).

Any Net Carried Interest Distribution Recontribution Amount contributed by a Member, including amounts of cash subject to a Holdback as provided above, shall increase the amount available for distribution to the other Members as Carried Interest distributions with respect to the Subject Investment; provided , that any such amounts then subject to a Holdback may be so distributed to the other Members to the extent a Member receiving such distribution has satisfied the Holdback requirements with respect to such distribution (taken together with the other Carried Interest distributions received by such Member to date).

(ii) In the case of Clawback Amounts which are required to be contributed to the Company as otherwise provided herein, the obligation of the Members with respect to any Clawback Amount shall be adjusted by the Managing Member as follows:

(A) determine each Member's share of any Losses in any BREP V Investments which gave rise to the Clawback Amount (i.e. , the Losses that followed the last BREP V Investment with respect to which Carried Interest distributions were made), based on such Member's Carried Interest Sharing Percentage in such BREP V Investments;

(B) determine each Member's obligation with respect to the Clawback Amount based on such Member's Carried Interest Give Back Percentage as otherwise provided herein; and

(C) subtract the amount determined in clause (B) above from the amount determined in clause (A) above with respect to each Member to determine the amount of adjustment to each Member's share of the Clawback Amount (a Member's " Clawback Adjustment Amount ").

A Member's share of the Clawback Amount shall for all purposes hereof be decreased by such Member's Clawback Adjustment Amount, to the extent it is a negative number (except to the extent expressly provided below). A Member's share of the Clawback Amount shall for all purposes hereof be increased by such Member's Clawback Adjustment Amount (to the extent it is a positive number); provided , that in no way shall a Member's aggregate obligation to satisfy a Clawback Amount as a result of this clause (ii) exceed the aggregate Carried Interest distributions received by such Member. To the extent a positive Clawback Adjustment Amount remains after the application of this clause (ii) with respect to a Member, such remaining Clawback Adjustment Amount shall be allocated to the Members (including any Member whose Clawback Amount was increased pursuant to this clause (ii)) pro rata based on their Carried Interest Give Back Percentages (determined without regard to this clause (ii)).

Any distribution or contribution adjustments pursuant to this Section 5.8(e) by the Managing Member shall be based on its good faith judgment, and no Member shall have any claim against the Company, the Managing Member or any other Members as a result of any adjustment made as set forth above. This Section 5.8(e) applies to all Members, including Withdrawn Members.

It is agreed and acknowledged that this Section 5.8(e) is an agreement among the Members and in no way modifies the obligations of each Member regarding the Clawback as provided in the BREP V Partnership Agreement.

5.9 Business Expenses . The Company shall reimburse the Members for reasonable travel, entertainment and miscellaneous expenses incurred by them in the conduct of the Company's business in accordance with rules and regulations established by the Managing Member from time to time.

ARTICLE VI

ADDITIONAL MEMBERS; WITHDRAWAL OF MEMBERS; SATISFACTION AND DISCHARGE OF COMPANY INTERESTS; TERMINATION

6.1. Additional Members . (a) Effective on the first day of any month (or on such other date as shall be determined by the Managing Member in its sole discretion), the Managing Member shall have the right to admit one or more additional persons into the Company as Regular Members or Special Members. The Managing Member shall determine and negotiate with the additional Member all terms of such additional Member's participation in the Company, including the additional Member's initial capital contribution and Profit Sharing Percentage. Each additional Member shall have such voting rights as may be determined by the Managing Member from time to time unless, upon the admission to the Company of any Special Member, the Managing Member shall designate that such Special Member shall not have such voting rights (any such Special Member being called a " Nonvoting Special Member "). Any additional Member shall, as a condition to becoming a Member, agree to become a party to, and be bound by the terms and conditions of, the Trust Agreement.

(b) The Profit Sharing Percentages to be allocated to an additional Member as of the date such Member is admitted to the Company, together with the pro rata reduction in all other Members' Profit Sharing Percentages as of such date, shall be established by the Managing Member pursuant to Section 5.3.

(c) An additional Member shall be required to contribute to the Company his pro rata share of the Company's total capital, excluding capital in respect of Investments in which such Member does not acquire any interests, at such times and in such amounts as shall be determined by the Managing Member in accordance with Section 4.1.

(d) The admission of an additional Member will be evidenced by (i) the execution of a counterpart copy of this Agreement by such additional Member or (ii) the execution of an amendment to this Agreement by all the Members (including the additional Member), as determined by the Managing Member. In addition, each additional Member shall sign a counterpart copy of the Trust Agreement or any other writing evidencing the intent of such person to become a party to the Trust Agreement that is accepted by the Managing Member on behalf of the Company.

6.2. Withdrawal of Members . (a) Any Member may Withdraw voluntarily from the Company on the last day of any calendar month (or on such other date as shall be determined by the Managing Member in its sole discretion), on not less than 15 days' prior written notice by such Member to the Managing Member (or on such shorter notice period as may be mutually agreed upon between such Member and the Managing Member); provided , that a Member may not voluntarily Withdraw without the consent of the Managing Member if such Withdrawal would (i) cause the Company to be in default under any of its contractual obligations or (ii) in the reasonable judgment of the Managing Member, have a material adverse effect on the Company or its business.

(b) Upon the Withdrawal of any Member, including by the occurrence of any withdrawal event under the LLC Act with respect to any Member, such Member shall thereupon cease to be a Member, except as expressly provided herein.

(c) Upon the Total Disability of a Regular Member, such Member shall thereupon cease to be a Regular Member; provided , that the Managing Member may elect to admit such Withdrawn Member to the Company as a Nonvoting Special Member with such Interest as the Managing Member may determine. The determination of whether any Member has suffered a Total Disability shall be made by the Managing Member in its sole discretion after consultation with a qualified medical doctor. In the absence of agreement between the Managing Member and such Member, each party shall nominate a qualified medical doctor and the two doctors shall select a third doctor, who shall make the determination as to Total Disability.

(d) If the Managing Member determines or with a Majority in Interest of the Members that it shall be in the best interests of the Company for any Member (including any Member who has given notice of voluntary Withdrawal pursuant to paragraph (a) above) to Withdraw from the Company (whether or not Cause exists), such Member, upon written notice by the Managing Member to such Member, shall be required to Withdraw as of a date specified in such notice, which date shall be on or after the date of such notice. If the Managing Member requires any Member to Withdraw for Cause, such notice shall state that it has been given for Cause and shall describe the particulars thereof in reasonable detail.

(e) The withdrawal from the Company of any Member shall not, in and of itself, affect the obligations of the other Members to continue the Company during the remainder of its term.

6.3. Company Interests Not Transferable . No Member may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Member's Interest other than as permitted by written agreement between such Member and the Company; provided , that this Section 6.3 shall not impair transfers by operation of law, transfers by will or by other testamentary instrument occurring by virtue of the death or dissolution of a Member, or transfers required by trust agreements; provided further , that a Regular Member may transfer, for estate planning purposes, up to 25% of his Profit Sharing Percentage to any estate planning trust, limited partnership, or limited liability company with respect to which a Regular Member controls investments related to any interest in the Company held therein (an "Estate Planning Vehicle"). Each Estate Planning Vehicle will be a Nonvoting Special Member. Such Regular Member and the Nonvoting Special Member shall be jointly and severally liable for all obligations of both such Regular Member and such Nonvoting Special Member with respect to the Company (including the obligation to make additional capital contributions), as the case may be. The Managing Member may at its sole option exercisable at any time require any Estate Planning Vehicle to withdraw from the Company on the terms of this Article VI. Except as provided in the second proviso to the first sentence of this Section 6.3(a), no assignee, legatee, distributee, heir or transferee (by conveyance, operation of law or otherwise) of the whole or any portion of any Member's Interest shall have any right to be a Member without the prior written consent of the Managing Member (which consent may be withheld without giving reason therefor). Notwithstanding the granting of a security interest in the entire Interest of any Member, such Member shall continue to be a Member of the Company.

6.4. Consequences upon Withdrawal of a Member . (a) The Withdrawal of a Regular Member shall not dissolve the Company if at the time of such Withdrawal there are one or more remaining Regular Members and any one or more of such remaining Regular Members continue the business of the Company (any and all such remaining Regular Members being hereby authorized to continue the

business of the Company without dissolution and hereby agreeing to do so). Notwithstanding Section 6.4(b), if upon the Withdrawal of a Regular Member there shall be no remaining Regular Member, the Company shall be dissolved and shall be wound up unless, within 90 days after the occurrence of such Withdrawal, all remaining Special Members agree in writing to continue the business of the Company and to the appointment, effective as of the date of such Withdrawal, of one or more Regular Members.

(b) The Company shall not be dissolved, in and of itself, by the Withdrawal of any Member, but shall continue with the surviving or remaining Members as members thereof in accordance with and subject to the terms and provisions of this Agreement.

6.5. Satisfaction and Discharge of a Withdrawn Member's Interest . (a) As used in this Agreement, (i) the term " Withdrawn Member " shall mean a Member whose interest in the Company has been terminated for any reason, including the occurrence of an event specified in Section 6.2, and shall include, unless the context requires otherwise, the estate or legal representatives of any such Member, (ii) the term " Withdrawal Date " shall mean the date of the Withdrawal from the Company of a Withdrawn Member and (iii) the term " Settlement Date " shall mean the date as of which a Withdrawn Member's Interest is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Regular Member who Withdraws from the Company, and all or any portion of whose Interest is retained as a Special Member, shall be considered a Withdrawn Member for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Member's interest in the Company may be agreed to by the Managing Member and a Withdrawn Member, a Withdrawn Member's Settlement Date shall be his Withdrawal Date; provided , that if a Withdrawn Member's Withdrawal Date is not the last day of a month, then the Managing Member may elect for such Withdrawn Member's Settlement Date to be the last day of the month in which his Withdrawal Date occurs. During the interval, if any, between a Withdrawn Member's Withdrawal Date and Settlement Date, such Withdrawn Member shall have the same rights and obligations with respect to Capital Contributions interest on capital, allocations of Net Income (Loss) and distributions as would have applied had such Withdrawn Member remained a Member of the Company during such period.

(c) In the event of the Withdrawal of a Member, the Managing Member shall promptly after such Withdrawn Member's Settlement Date (i) determine and allocate to the Withdrawn Member's capital account such Withdrawn Member's allocable share of the Net Income (Loss) of the Company for the period ending on such Settlement Date in accordance with Article V and (ii) credit the Withdrawn Member's capital account with interest in accordance with Section 5.2. In making the foregoing calculations, the Managing Member shall be entitled to establish such reserves (including reserves for taxes, bad debts, unrealized losses, actual or threatened litigation or any other expenses, contingencies or obligations) as it deems appropriate. Unless otherwise determined by the Managing Member in a particular case, a Withdrawn Member shall not be entitled to receive any Unallocated Percentage in respect of the accounting period during which such Member Withdraws from the Company (whether or not previously awarded or allocated) or any Unallocated Percentage in respect of prior accounting periods that have not been paid or allocated (whether or not previously awarded) as of such Withdrawn Member's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Member, the Withdrawn Member's Profit Sharing Percentages shall, unless otherwise allocated by the Managing Member pursuant to Section 5.3(a), be deemed to be Unallocated Percentages (except for Profit Sharing Percentages with respect to Investments as provided in paragraph (f) below).

(e)(i) Upon the Withdrawal from the Company of a Member, such Withdrawn Member thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Member (including voting rights), and, except as expressly provided in this Section 6.5, such Withdrawn Member shall not have any interest in the Company's Net Income (Loss), distributions, Investments or other assets. If a Member Withdraws from the Company for any reason other than for Cause pursuant to Section 6.2, then the Withdrawn Member shall be entitled to receive, at the time or times specified in Section 6.5(i) below, in satisfaction and discharge in full of the Withdrawn Member's Interest, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Member's capital accounts, (excluding any capital account or portion thereof attributable to any Investment) and (y) the Withdrawn Member's percentage interest attributable to each Investment in which the Withdrawn Member has an interest as of the Settlement Date as provided in paragraph (f) below (which shall be settled in accordance with paragraph (f) below), subject to all the terms and conditions of paragraphs (a)-(r) of this Section 6.5. If the amount determined pursuant to clause (x) above is an aggregate negative balance, the Withdrawn Member shall pay the amount thereof to the Company upon demand by the Managing Member on or after the date of the statement referred to in paragraph (i) below; provided , that if the Withdrawn Member was solely a Special Member on his Withdrawal Date, such payment shall be required only to the extent of any amounts payable to such Withdrawn Member pursuant to this Section 6.5. Any aggregate negative balance in the capital accounts of a Withdrawn Member who was solely a Special Member, upon the settlement of such Withdrawn Member's Interest pursuant to this Section 6.5, shall be allocated among the other Members' capital accounts in accordance with their respective Profit Sharing Percentages in the categories of Net Income (Loss) giving rise to such negative balance as determined by the Managing Member as of such Withdrawn Member's Settlement Date. In the settlement of any Withdrawn Member's interest in the Company, no value shall be ascribed to goodwill, the Company name or the anticipation of any value the Company or any successor thereto might have in the event the Company or any interest therein were to be sold in whole or in part.

(ii) Notwithstanding clause (i) of this Section 6.5(e), in the case of a Member whose Withdrawal resulted from such Member's death or Incompetence, such Member's estate or legal representative, as the case may be, may elect, at the time described below, to receive a Nonvoting Special Member Interest and retain such Member's Profit Sharing Percentage in all (but not less than all) illiquid investments of the Company in lieu of a cash payment (or Note) in settlement of that portion of the Withdrawn Member's interest. The election referred to above shall be made within 60 days after the Withdrawn Member's Settlement Date, based on a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Member's "percentage interest" means his Profit Sharing Percentage as of the Settlement Date in the relevant Investment. The Withdrawn Member shall retain his percentage interest in such Investment and shall retain his capital account or portion thereof attributable to such Investment, in which case such Withdrawn Member (a " Retaining Withdrawn Member ") shall become and remain a Special Member for such purpose (and, if the Managing Member so designates, such Special Member shall be a Nonvoting Special Member). The Interests of a Retaining Withdrawn Member pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to Interests of any kind hereunder and such other terms and conditions as are established by the Managing Member. At the option of the Managing Member in their sole discretion, the Managing Member and the Retaining Withdrawn Member may agree to have the Company acquire such interests without the approval of the other Members; provided , that the Managing Member shall reflect in the books and records of the Company the terms of any acquisition pursuant to this sentence.

(g) The Managing Member may elect, in lieu of payment in cash of any amount payable to a Withdrawn Member pursuant to paragraph (e) above, to have the Company issue to the

Withdrawn Member a subordinated promissory note as provided in paragraph (k) below and/or to distribute in kind to the Withdrawn Member such Withdrawn Member's pro rata share (as determined by the Managing Member) of any securities or other investments of the Company. If any securities or other investments are distributed in kind to a Withdrawn Member under this paragraph (g), the amount described in clause (x) of paragraph (e)(i) shall be reduced by the value of such distribution as valued on the latest balance sheet of the Company in accordance with generally accepted accounting principles or, if not appearing on such balance sheet, as reasonably determined by the Managing Member.

(h) [Intentionally omitted].

(i) Within 120 days after each Settlement Date, the Managing Member shall submit to the Withdrawn Member a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to this Section 6.5 together with any cash payment, subordinated promissory note (as referred to in paragraph (k) below) and in kind distributions, to be made to such Member as shall be determined by the Managing Member. The Managing Member shall submit to the Withdrawn Member supplemental statements with respect to additional amounts payable to or by the Withdrawn Member in respect of the settlement of his interest in the Company (e.g. , payments in respect of Investments pursuant to paragraph (f) above or adjustments to reserves pursuant to paragraph (j) below) promptly after such amounts are determined by the Managing Member. To the fullest extent permitted by law, such statements and the valuations on which they are based shall be accepted by the Withdrawn Member without examination of the accounting books and records of the Company or other inquiry. Any amounts payable by the Company to a Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment or provision for payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to the applicable date of payment or distribution; provided , that such Withdrawn Member shall otherwise rank pari passu in right of payment (x) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year before the Withdrawal Date of the Withdrawn Member in question and (y) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year after the Withdrawal Date of the Withdrawn Member in question.

(j) If the aggregate reserves established by the Managing Member as of the Settlement Date in making the foregoing calculations should prove, in the determination of the Managing Member, to be excessive or inadequate, the Managing Member may elect, but shall not be obligated, to pay the Withdrawn Member or his estate such excess, or to charge the Withdrawn Member or his estate such deficiency, as the case may be.

(k) Any amounts owed by the Withdrawn Member to the Company at any time on or after the Settlement Date (e.g. , outstanding Company loans or advances to such Withdrawn Member) shall be offset against any amounts payable or distributable by the Company to the Withdrawn Member at any time on or after the Settlement Date or shall be paid by the Withdrawn Member to the Company, in each case as determined by the Managing Member. All cash amounts payable by a Withdrawn Member to the Company under this Section 6.5 shall bear interest from the due date to the date of payment at a floating rate equal to the lesser of (x) the rate of interest publicly announced from time to time by JPMorgan Chase Bank in New York City as its prime rate and (y) the maximum rate of interest permitted by applicable law. The "due date" of amounts payable by a Withdrawn Member pursuant to Section 6.5(i) above shall be 120 days after a Withdrawn Member's Settlement Date. The "due date" of amounts payable to or by a Withdrawn Member in respect of Investments for which the Withdrawn Member has retained a percentage interest in accordance with paragraph (f) above shall be 120 days after realization with respect to such Investment. The "due date" of any other amounts payable by a Withdrawn Member shall be 60 days after the date such amounts are determined to be payable.

(l) At the time of the settlement of any Withdrawn Member's interest in the Company pursuant to this Section 6.5, the Managing Member may, to the fullest extent permitted by applicable law, impose any restrictions they deem appropriate on the assignment, pledge, encumbrance or other transfer by such Withdrawn Member of any interest in any Investment retained by such Withdrawn Member, any securities or other investments distributed in kind to such Withdrawn Member or such Withdrawn Member's right to any payment from the Company.

(m) If a Member is required to Withdraw from the Company for Cause pursuant to Section 6.2(d), then his Interest shall be settled in accordance with paragraphs (a)-(m) of this Section 6.5; provided , that the Managing Member may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement.

(i) In settling the Withdrawn Member's interest in any Investment in which he has an interest as of his Settlement Date, the Managing Member may elect to (A) determine the Unrealized Net Income (Loss) attributable to each such Investment as of the Settlement Date and allocate to the appropriate capital account of the Withdrawn Member his allocable share of such Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Member's capital account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Member with the balance of his capital account or portion thereof attributable to each such Investment as of his Settlement Date without giving effect to the Unrealized Net Income (Loss) from such Investment as of his Settlement Date, which shall be forfeited by the Withdrawn Member or (C) apply the provisions of paragraph (f) above, provided , that the maximum amount of Net Income (Loss) allocable to such Withdrawn Member with respect to any Investment shall equal such Member's percentage interest of the Unrealized Net Income, if any, attributable to such Investment as of the Settlement Date (the balance of such Net Income (Loss), if any, shall be allocated as determined by the Managing Member). The Withdrawn Member shall not have any continuing interest in any Investment to the extent an election is made pursuant to (A) or (B) above.

(ii) Any amounts payable by the Company to the Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to or on or after the applicable date of payment or distribution.

(n) The payments to a Withdrawn Member pursuant to this Section 6.5 may be conditioned on the compliance by such Withdrawn Member with any lawful and reasonable (under the circumstances) restrictions against engaging or investing in a business competitive with that of the Company or any of its subsidiaries and affiliates for a period not exceeding two years determined by the Managing Member. Upon written notice to the Managing Member, any Withdrawn Member who is subject to noncompetition restrictions established by the Managing Member pursuant to this paragraph (o) may elect to forfeit the principal amount payable in the final installment of his subordinated promissory note under paragraph (k) above, together with interest to be accrued on such installment after the date of forfeiture, in lieu of being bound by such restrictions.

(o) In addition to the foregoing, the Managing Member shall have the right to pay a Withdrawn Member (other than a Managing Member) a discretionary additional payment in an amount and based upon such circumstances and conditions as it determines to be relevant.

(p) The provisions of this Section 6.5 shall apply to any Investor Special Member relating to a Regular Member or Special Member and to any transferee of any interest of such Member pursuant to Section 6.3 if such Member Withdraws from the Company.

(q)(i) The Company will assist a Withdrawn Member or his estate or guardian, as the case may be, in the settlement of the Withdrawn Member's Interest in the Company. Third party costs incurred by the Company in providing this assistance will be borne by the Withdrawn Member or his estate.

(ii) The Company may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Members or their estates or guardians, as referred to above. In such instances, the Company will obtain the prior approval of a Withdrawn Member or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his estate or guardian) declines to incur such costs, the Company will provide such reasonable assistance as and when it can so as not to interfere with the Company's day-to-day operating, financial, tax and other related responsibilities to the Company and the Members.

(r) Each Member (other than the Managing Member) hereby irrevocably appoints the Managing Member as such Member's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file, on behalf of such Member, any and all agreements, instruments, documents and certificates which the Managing Member deems necessary or advisable in connection with any transaction or matter contemplated by or provided for in this Section 6.5, including, without limitation, the performance of any obligation of such Member or the Company or the exercise of any right of such Member or the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Company of any Member for any reason and shall not be affected by the death, disability or incapacity of such Member.

6.6. Dissolution of the Company . The Managing Member may dissolve the Company prior to the expiration of its term at any time on not less than 60 days' notice of the dissolution date given to the other Members. Upon the dissolution of the Company, and following the payment of creditors of the Company and the making of provisions for the payment of any contingent, conditional or unmatured claims known to the Company as required under the LLC Act, the Members' respective interests in the Company shall be valued and settled in accordance with the procedures set forth in Sections 5.8 and 6.5 which provide for allocations to the capital accounts of the Members and distributions in accordance with the capital account balances of the Members. The Managing Member shall be the liquidators. In the event that the Managing Member is unable to serve as liquidators, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Members voting at a meeting of Members (excluding Nonvoting Special Members).

6.7. Certain Tax Matters . (a) All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members for Federal, state and local income tax purposes in the same manner as such items of income, gain, loss, deduction and credit shall be allocated among the Members pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. To the extent Treasury Regulations promulgated pursuant to Subchapter K of the Code (including under Sections 704(b) and (c) of the Code) or other applicable law require allocations for tax purposes that differ from the foregoing allocations, the Managing Member may determine the manner in which such tax allocations shall be made so as to comply more fully with such Treasury Regulations or other applicable law and, at the same time, preserve the economic relationships among the Members as set forth in this Agreement. In the event there is a net decrease in partnership minimum gain or partner nonrecourse debt minimum gain (determined in accordance with the principles of Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Company, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to its respective share of such net decrease during such year, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(f). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Regulations Section 1.704-1(b)(2)(ii)(d).

(b) The Managing Member shall cause to be prepared all Federal, state and local tax returns of the Company for each year for which such returns are required to be filed and, after approval of such returns by the Managing Member, shall cause such returns to be timely filed. The Managing Member shall determine the appropriate treatment of each item of income, gain, loss, deduction and credit of the Company and the accounting methods and conventions under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of any such item or any other method or procedure related to the preparation of such tax returns. The Managing Member may cause the Company to make or refrain from making any and all elections permitted by such tax laws. Each Member agrees that he shall not, unless he provides prior notice of such action to the Company, (i) treat, on his individual income tax returns, any item of income, gain, loss, deduction or credit relating to his interest in the Company in a manner inconsistent with the treatment of such item by the Company as reflected on the Form K-1 or other information statement furnished by the Company to such Member for use in preparing his income tax returns or (ii) file any claim for refund relating to any such item based on, or which would result in, such inconsistent treatment. In respect of an income tax audit of any tax return of the Company, the filing of any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company, or any administrative or judicial proceedings arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, (A) the Tax Matters Member (as defined below) shall be authorized to act for, and his decision shall be final and binding upon, the Company and all Members except to the extent a Member shall properly elect to be excluded from such proceeding pursuant to the Code, (B) all expenses incurred by the Tax Matters Member in connection therewith (including, without limitation, attorneys', accountants' and other experts' fees and disbursements) shall be expenses of the Company and (C) no Member shall have the right to (1) participate in the audit of any Company tax return, (2) file any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company (unless he provides prior notice of such action to the Company as provided above), (3) participate in any administrative or judicial proceedings conducted by the Company or the Tax Matters Member arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, or (4) appeal, challenge or otherwise protest any adverse findings in any such audit conducted by the Company or the Tax Matters Member or with respect to any such amended return or claim for refund filed by the Company or the Tax Matters Member or in any such administrative or judicial proceedings conducted by the Company or the Tax Matters Member. The Company and each Member hereby designate any Member selected by the Managing Member as the "tax matters partner" for purposes of Section 6231(a)(7) of the Code (the " Tax Matters Member "). To the fullest extent permitted by applicable law, each Member agrees to indemnify and hold harmless the Company and all other Members from and against any and all liabilities, obligations, damages, deficiencies and expenses resulting from any breach or violation by such Member of the provisions of this Section 6.7 and from all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees and disbursements, incident to any such breach or violation.

(c) Each individual Member shall provide to the Company copies of each Federal, state and local income tax return of such Member (including any amendment thereof) within 30 days after filing such return.

6.8. Special Basis Adjustments . In connection with any assignment or transfer of a Company interest permitted by the terms of this Agreement, the Managing Member may cause the Company, on behalf of the Members and at the time and in the manner provided in Code Regulations Section 1.754-1(b), to make an election to adjust the basis of the Company's property in the manner provided in Sections 734(b) and 743(b) of the Code.

ARTICLE VII

MISCELLANEOUS

7.1. Submission to Jurisdiction; Waiver of Jury Trial . (a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the Managing Member may bring, or may cause the Company to bring, on behalf of the Managing Member or the Company or on behalf of one or more Members, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Member (i) expressly consents to the application of paragraph (c) of this Section 7.1 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Managing Member as such Member's agent for service of process in connection with any such action or proceeding and agrees that service of process upon any such agent, who shall promptly advise such Member of any such service of process, shall be deemed in every respect effective service of process upon the Member in any such action or proceeding.

(c)(i) EACH MEMBER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 7.1, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 7.1 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 7.1 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq.) (the " Delaware Arbitration Act "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 7.1, including any rules of the International Chamber of Commerce,

shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 7.1. In that case, this Section 7.1 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 7.1 shall be construed to omit such invalid or unenforceable provision.

7.2. Ownership and Use of the Company Name . The Company acknowledges that Blackstone Financial Services Inc. (" BFS "), a Delaware corporation with a principal place of business at 345 Park Avenue, New York, New York 10154, (or its successors or assigns) is the sole and exclusive owner of the mark and name BLACKSTONE and that the ownership of, and the right to use, sell or otherwise dispose of, the firm name or any abbreviation or modification thereof which consists of or includes BLACKSTONE, shall belong exclusively to BFS, which company (or its predecessors, successors or assigns) has licensed the Company to use BLACKSTONE in its name. The Company acknowledges that BFS owns the service mark BLACKSTONE for various services and that the Company is using the BLACKSTONE mark and name on a non-exclusive, non-sublicensable and non-assignable basis in connection with its business and authorized activities with the permission of BFS. All services rendered by the Company under the BLACKSTONE mark and name will be rendered in a manner and with quality levels that are consistent with the high reputation heretofore developed for the BLACKSTONE mark by BFS and its affiliates and licensees. The Company understands that BFS may terminate its right to use BLACKSTONE at any time in BFS sole discretion by giving the Company written notice of termination. Promptly following any such termination, the Company will take all steps necessary to change its company name to one which does not include BLACKSTONE or any confusingly similar term and cease all use of BLACKSTONE or any term confusingly similar thereto as a service mark or otherwise.

7.3. Written Consent . Any action required or permitted to be taken by a vote of Members at a meeting may be taken without a meeting if a Majority in Interest of the Members consent thereto in writing.

7.4. Letter Agreements; Schedules . The Managing Member may, or may cause the Company to, enter into separate letter agreements with certain Members, officers or employees with respect to Profit Sharing Percentages, benefits or any other matter, in each case on terms and conditions not inconsistent with this Agreement; provided, that, notwithstanding the foregoing, any terms of this Agreement may be made subject to any such letter agreements to the extent provided elsewhere herein. The Managing Member may from time to time execute and deliver to the Members schedules which set forth the then current capital balances and Profit Sharing Percentages of the Members and any other matters deemed appropriate by the Managing Member. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever.

7.5. Governing Law; Separability of Provisions . This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to principles of conflict of laws. In particular, the Company has been formed pursuant to the LLC Act, and the rights and liabilities of the Members shall be as provided therein, except as herein otherwise expressly provided. If any provision of this Agreement shall be held to be invalid, such provision shall be given its meaning to the maximum extent permitted by law and the remainder of this Agreement shall not be affected thereby.

7.6. Successors and Assigns . This Agreement shall be binding upon and shall, subject to the penultimate sentence of Section 6.3 (a), inure to the benefit of the parties hereto, their respective heirs and personal representatives, and any successor to a trustee of a trust which is or becomes a party hereto; provided , that no person claiming by, through or under a Member (whether such Member's heir, personal representative or otherwise), as distinct from such Member itself, shall have any rights as,

or in respect to, a Member (including the right to approve or vote on any matter or to notice thereof) except the right to receive only those distributions expressly payable to such person pursuant to Article VI. Any Member or Withdrawn Member shall remain liable for the obligations under this Agreement (including any Net Recontribution Amounts) of any transferee of all or any portion of such Member's or Withdrawn Member's interest in the Company, unless waived by the Managing Member. The Company shall, if the Managing Member determine, in their good faith judgment, based on the standard set forth in Section 5.8(d)(ii)(A), to pursue such transferee, pursue payment (including any Net Recontribution Amounts) from the transferee with respect to any such obligations. Nothing in this Agreement is intended, nor shall anything herein be construed, to confer any rights, legal or equitable, in any person other than the Members and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, the provisions of Sections 5.8(d)(i) and (iii) shall inure to the benefit of the limited partners or other investors in BREP V, and such limited partners or investors shall have the right to enforce the provisions thereof to the extent the Company does not otherwise do so.

7.7. Confidentiality . By executing this Agreement, each Member expressly agrees, at all times during the term of the Company and thereafter and whether or not at the time a Member of the Company, to maintain the confidentiality of, and not to disclose to any person other than the Company, another Member or a person designated by the Company, any information relating to the business, financial structure, financial position or financial results, clients or affairs of the Company that shall not be generally known to the public or the securities industry, except as otherwise required by law or by any regulatory or self-regulatory organization having jurisdiction; provided , that any corporate Member may disclose any such information it is required by law, rule, regulation or custom to disclose.

7.8. Notices . Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including telecopy or similar writing) and shall be given by hand delivery (including any courier service) or telecopy to any Member at its address or telecopy number shown in the Company's books and records or, if given to the Managing Member or the Company, at the address of the Company provided herein. Each such notice shall be effective (i) if given by telecopy, upon dispatch, and (ii) if given by hand delivery, when delivered to the address of such Member or Managing Member or the Company specified as aforesaid.

7.9. Counterparts . This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute a single instrument.

7.10. Power of Attorney . Each Member hereby irrevocably appoints the Managing Member as such Member's true and lawful representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file all instruments, documents and certificates which, from time to time, may be required to set forth any amendment to this Agreement or may be required by this Agreement or by the laws of the United States of America, the State of Delaware or any other state in which the Company shall determine to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the subsequent Withdrawal from the Company of any Member for any reason and shall not be affected by the subsequent disability or incapacity of such Member.

7.11. Member's Will . Each Member and Withdrawn Member shall include in his or her will a provision that addresses certain matters in respect of his or her obligations relating to the Company that is satisfactory to the Managing Member and each such Member and Withdrawn Member shall confirm annually to the Company, in writing, that such provision remains in his current will. Where applicable, any estate planning trust of such Member or Withdrawn Member to which a portion of such Member's or Withdrawn Member's Interest is transferred shall include a provision substantially similar to such provision and the trustee of such trust shall confirm annually to the Company, in writing, that such provision or its substantial equivalent remains in such trust. In the event any Member or Withdrawn Member fails to comply with the provisions of this Section 7.11 after the Company has notified such

Member or Withdrawn Member of his failure to so comply and such failure to so comply is not cured within 30 days of such notice, the Company may withhold any and all distributions to such Member until the time at which such party complies with the requirements of this Section 7.11.

7.12. Cumulative Remedies . Rights and remedies under this Agreement are cumulative and do not preclude use of other rights and remedies available under applicable law.

7.13. Legal Fees . Except as more specifically provided herein, in the event of a legal dispute (including litigation, arbitration or mediation) between any Member or Withdrawn Member and the Company, arising in connection with any party seeking to enforce Section 4.1 (d) or any other provision of this Agreement relating to the Holdback, the Clawback Amount, the Giveback Amount or the Recontribution Amount, the "losing" party to such dispute shall promptly reimburse the "victorious party" for all reasonable legal fees and expenses incurred in connection with such dispute (such determination to be made by the relevant adjudicator). Any amounts due under this Section 7.13 shall be paid within 30 days of the date upon which such amounts are due to be paid and such amounts remaining unpaid after such date shall accrue interest at the Default Interest Rate.

7.14. Entire Agreement . This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. Subject to Section 7.4, this Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written. In the event that it is impracticable to obtain the signature of any of the Members to this Agreement, this Agreement shall be binding among the other Members executing the same.

MANAGING MEMBER:

BLACKSTONE HOLDINGS III L.P.

By: Blackstone Holdings III GP L.L.C.,
its General Partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Authorized Person

Exhibit 10.20

BREA VI L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

DATED AS OF MAY 31, 2007

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BREA VI L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT of BREA VI L.L.C. (the " Company "), dated as of May 31, 2007, by and among Blackstone Holdings III L.P., a Delaware limited partnership (the " Managing Member " or " Holdings "), the other members of the Company as provided on the signature pages hereto, and such other persons that are admitted to the Company as members after the date hereof in accordance herewith.

W I T N E S S E T H

WHEREAS, the Company was formed under the LLC Act (defined below) pursuant to a certificate of formation filed in the office of the Secretary of State of the State of Delaware on November 17, 2006;

WHEREAS, the original limited liability company agreement of the Company was executed as of November 17, 2006 (the " Original Operating Agreement ");

WHEREAS, the Original Operating Agreement was amended and restated in its entirety by the Amended and Restated Limited Liability Company Agreement, dated as of February 8, 2007, of the Company (as amended to date, the " First Amended and Restated Operating Agreement "); and

WHEREAS, the parties hereto now wish to amend and restate the First Amended and Restated Agreement in its entirety as of the date hereof and as more fully set forth below;

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1. Definitions . Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

" Advancing Party " has the meaning set forth in Section 7.1(b).

" Affiliate " when used with reference to another person means any person (other than the Company), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person.

" Agreement " means this Second Amended and Restated Limited Liability Company Agreement, as it may be further amended and restated from time to time.

" Alternative Investment Vehicle " means any investment vehicle or structure formed pursuant to paragraph 2.7.1 of the BREP VI Partnership Agreement or any other "Alternative Investment Vehicle" (as defined in any other BREP VI Partnership Agreement).

" Applicable Collateral Percentage " shall have the meaning with respect to any Firm Collateral and Special Firm Collateral, in each case, as set forth on the books and records of the Company with respect thereto.

" Bankruptcy " means, with respect to any person, the occurrence of any of the following events: (i) the filing of an application by such person for, or a consent to, the appointment of a trustee or custodian of his assets; (ii) the filing by such person of a voluntary petition in Bankruptcy or the seeking of relief under Title 11 of the United States Code, as now constituted or hereafter amended, or the filing of a pleading in any court of record admitting in writing his inability to pay his debts as they become due; (iii) the failure of such person to pay his debts as such debts become due; (iv) the making by such person of a general assignment for the benefit of creditors; (v) the filing by such person of an answer admitting the material allegations of, or his consenting to, or defaulting in answering, a Bankruptcy petition filed against him in any Bankruptcy proceeding or petition seeking relief under Title 11 of the United States Code, as now constituted or as hereafter amended; or (vi) the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such person a bankrupt or insolvent or for relief in respect of such person or appointing a trustee or custodian of his assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

" BCOM " means (i) Blackstone Communications Partners I L.P., a Delaware limited partnership, and (ii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

" BCP " means Blackstone Capital Partners L.P., a Delaware limited partnership, and any investment vehicle established in accordance with the terms of Blackstone Capital Partners L.P.'s partnership agreement to invest in lieu of Blackstone Capital Partners L.P. on behalf of one or more of the partners thereof.

" BCP II " means Blackstone Capital Partners II Merchant Banking Fund L.P., a Delaware limited partnership, any investment vehicle established pursuant to paragraph 2.7 of such partnership's partnership agreement, Blackstone Offshore Capital Partners II L.P., a Cayman Islands exempted limited partnership, and any investment vehicle established pursuant to paragraph 2.7 of such partnership's partnership agreement.

" BCP III " means Blackstone Capital Partners III Merchant Banking Fund L.P., a Delaware limited partnership, Blackstone Offshore Capital Partners III L.P., a Cayman Islands exempted limited partnership, and any investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreement of either of such partnerships.

" BCP IV " is the collective reference to Blackstone Capital Partners IV L.P., a Delaware limited partnership, and any Alternative Investment Vehicle relating thereto and any Parallel Fund.

" BCP V " is the collective reference to (i) Blackstone Capital Partners V L.P., a Delaware limited partnership, and any Alternative Investment Vehicle relating thereto, (ii) BCP V-S L.P., a Delaware limited partnership, and any Alternative Investment Vehicle relating thereto, and (iii) Blackstone Capital Partners V-AC L.P., a Delaware limited partnership, and any Alternative Investment Vehicle relating thereto.

" BFCOMP " means Blackstone Communications Capital Associates I L.P., Blackstone Family Communications Partnership I L.P. and any other partnership that is an Affiliate thereof and has terms substantially similar to those of the foregoing partnerships and is formed in connection with the participation by one or more partners thereof directly or indirectly in investments in securities also purchased by BCOM or any other funds with substantially similar investment objectives to BCOM and that are sponsored or managed by an Affiliate of the Company (which includes serving as general partner of such funds).

" BFCOMP Agreement " means the Amended and Restated Agreements of Limited Partnership dated as of June 29, 2000 of Blackstone Family Communications Partnership I L.P. and Blackstone Communications Capital Associates I L.P. and any other BFCOMP limited partnership agreement.

" BFCOMP Investment " means any direct or indirect investment by BFCOMP.

" BFIP " means Blackstone Capital Associates II L.P., Blackstone Capital Associates III L.P., Blackstone Capital Associates IV L.P., Blackstone Capital Associates V L.P., Blackstone Family Investment Partnership I L.P., Blackstone Family Investment Partnership II L.P., Blackstone Family Investment Partnership III L.P., Blackstone Family Investment Partnership IV - A L.P. , Blackstone Family Investment Partnership IV— B L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V— A L.P. and any other entity that is an Affiliate thereof and has terms similar to those of the foregoing partnerships and is formed in connection with the participation by one or more of the partners thereof in investments in securities also purchased by BCP, BCP II, BCP III, BCP IV, BCP V or any other fund with substantially similar investment objectives to BCP, BCP II, BCP III, BCP IV and BCP V and that are sponsored or managed by an Affiliate of the Company (which includes serving as general partner of such funds).

" BFIP Agreement " means the Amended and Restated Agreement of Limited Partnership dated as of December 14, 1995 of Blackstone Family Investment Partnership I L.P., the Limited Partnership Agreement dated as of December 14, 1995 of Blackstone Family Investment Partnership II L.P., the Limited Partnership Agreement dated as of December 21, 1995 of Blackstone Capital Associates II L.P., the Limited Partnership Agreements dated as of June 27, 1997 of Blackstone Family Investment Partnership III L.P. and Blackstone Capital Associates III L.P., the Amended and Restated Agreements of Limited Partnership dated as of November 9, 2001 of Blackstone Family Investment Partnership IV—A L.P., Blackstone Family Investment Partnership IV - B L.P. and Blackstone Capital Associates IV L.P., the Amended and Restated Agreements of Limited Partnership dated as of October 14, 2005 of Blackstone Family Investment Partnership V L.P. and Blackstone Capital Associates V L.P., and the Amended and Restated Agreement of Limited Partnership dated as of March 23, 2006 of Blackstone Family Investment Partnership V - A L.P., as each of such agreements may be amended, supplemented or otherwise modified from time to time, and any other BFIP limited partnership agreement.

" BFIP Investment " means any direct or indirect investment by BFIP.

" BFMEZP " means Blackstone Mezzanine Capital Associates L.P., Blackstone Mezzanine Capital Associates II L.P., Blackstone Family Mezzanine Partnership L.P., Blackstone Family Mezzanine Partnership II L.P., Blackstone Mezzanine Holdings L.P., Blackstone Mezzanine Holdings II L.P., and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships and is formed in connection with the participation by one or more partners thereof directly or indirectly in investments in securities also purchased by BMEZP I, BMEZP II or any other funds with substantially similar investment objectives to BMEZP I and BMEZP II and that are sponsored or managed by an Affiliate of the Company (which includes serving as general partner of such funds).

" BFMEZP Agreement " means the Amended and Restated Agreements of Limited Partnership dated as of October 22, 1999 of Blackstone Family Mezzanine Partnership L.P. and Blackstone Mezzanine Capital Associates L.P., the Limited Partnership Agreement dated as of March 22, 1999 of Blackstone Mezzanine Holdings L.P., the Amended and Restated Agreements of Limited Partnership dated as of June 10, 2005 of Blackstone Family Mezzanine Partnership II L.P., Blackstone Mezzanine Capital Associates II L.P. and Blackstone Mezzanine Holdings II L.P., as each of such agreements may be amended, supplemented or otherwise modified from time to time, and any other BFMEZP limited partnership agreement.

" BFMEZP Investment " means any direct or indirect investment by BFMEZP.

" BFREP " means Blackstone Real Estate Capital Associates L.P., Blackstone Real Estate Capital Associates II L.P., Blackstone Real Estate Capital Associates III L.P., Blackstone Real Estate Capital Associates International L.P., Blackstone Real Estate Capital Associates IV L.P., Blackstone Real Estate Capital Associates International II L.P., Blackstone Real Estate Capital Associates V L.P., Blackstone Real Estate Capital Associates VI L.P., Blackstone Family Real Estate Partnership L.P., Blackstone Family Real Estate Partnership II L.P., Blackstone Family Real Estate Partnership III L.P., Blackstone Family Real Estate Partnership International - A L.P., Blackstone Family Real Estate Partnership International - B L.P., Blackstone Family Real Estate Partnership IV L.P., Blackstone Family Real Estate Partnership International II L.P., Blackstone Family Real Estate Partnership V L.P., Blackstone Family Real Estate Partnership VI L.P., Blackstone Real Estate Holdings L.P., Blackstone Real Estate Holdings II L.P., Blackstone Real Estate Holdings III L.P., Blackstone Real Estate Holdings International - A L.P., Blackstone Real Estate Holdings International - B L.P., BRE Holdings International - A L.P., BRE Holdings International - B L.P., Blackstone Real Estate Holdings IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings International II-A L.P., BRE Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships and is formed in connection with the participation by one or more partners thereof in real estate and real estate-related investments also purchased by BREP VI and any other funds with substantially similar investment objectives to BREP VI and that are sponsored or managed by an Affiliate of the Company (which includes serving as general partner of such funds).

" BFREP Agreement " means the Agreement of Limited Partnership, dated as of May 20, 1996, of Blackstone Real Estate Capital Associates L.P., the Agreements of Limited Partnership, dated as of October 21, 1996, of Blackstone Family Real Estate Partnership II L.P., Blackstone Real Estate Holdings II L.P. and Blackstone Real Estate Capital Associates II L.P., the Agreements of Limited Partnership, dated as of October 21, 1998, of Blackstone Family Real Estate Partnership III L.P., Blackstone Real Estate Holdings III L.P. and Blackstone Real Estate Capital Associates III L.P., the Amended and Restated Agreements of Limited Partnership, dated as of July 26, 2001, of Blackstone Family Real Estate Partnership International - A L.P., Blackstone Family Real Estate Partnership International - B L.P., Blackstone Real Estate Capital Associates International L.P., Blackstone Real Estate Holdings International - A L.P., Blackstone Real Estate Holdings International - B L.P., BRE Holdings International - A L.P. and BRE Holdings International - B L.P., the Amended and Restated Agreements of Limited Partnership, dated as of September 9, 2002, of Blackstone Family Real Estate Partnership IV L.P., Blackstone Real Estate Capital Associates IV L.P. and Blackstone Real Estate Holdings IV L.P., the Amended and Restated Agreements of Limited Partnership, dated as of August 5, 2005, of Blackstone Family Real Estate Partnership International II L.P., Blackstone Real Estate Capital Associates International II L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings International II-A L.P. and BRE Holdings International II L.P., the Amended and Restated Agreements of Limited Partnership, dated as of December 14, 2005, of Blackstone Family Real Estate Partnership V L.P., Blackstone Real Estate Capital Associates V L.P. and Blackstone Real Estate Holdings V L.P., and the Amended and Restated Agreements of Limited Partnership, dated as of February 8, 2007, of Blackstone Family Real Estate Partnership VI L.P., Blackstone Real Estate Capital Associates VI L.P. and Blackstone Real Estate Holdings VI L.P., as each of such agreements may be amended, supplemented or otherwise modified from time to time, and any other BFREP limited partnership agreement.

" BFREP Investment " means any direct or indirect investment by BFREP.

" BFREP VI " means Blackstone Family Real Estate Partnership VI L.P., a Delaware limited partnership, and any similar "Family" side-by-side entity.

" BFREP VI Partnership Agreement " means, collectively, the Amended and Restated Agreement of Limited Partnership of BFREP VI, dated as of the date hereof, as amended, supplemented or otherwise modified from time to time, and any other BFREP partnership agreement.

" Blackstone Capital Commitment " has the meaning set forth in the BREP VI Partnership Agreement.

" Blackstone Co-Investment Rights " has the meaning set forth in the BREP VI Partnership Agreement.

" Blackstone Partnership " has the meaning set forth in Section 3.4(c).

" Blackstone Partnership Agreement " has the meaning set forth in Section 3.4(c).

" BMEZP I " means (i) Blackstone Mezzanine Partners L.P., a Delaware limited partnership, and (ii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

" BMEZP II " means (i) Blackstone Mezzanine Partners II L.P., a Delaware limited partnership, and (ii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

" BRE Holdings VI " means BRE Holdings VI L.P., a Delaware limited partnership.

" BRE Holdings VI Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of BRE Holdings VI L.P., dated as of the date hereof, as amended, supplemented or otherwise modified from time to time.

" BREA VI " means Blackstone Real Estate Associates VI L.P., a Delaware limited partnership.

" BREA VI Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Associates VI L.P., dated as of the date hereof, as amended, supplemented or otherwise modified from time to time.

" BREA VI Sub " means BREA VI Sub L.L.C., a Delaware limited liability company and the general partner of BREA VI.

" BREA VI Sub LLC Agreement " means the Amended and Restated Limited Liability Company Agreement of BREA VI Sub, dated as of the date hereof, as amended, supplemented or otherwise modified from time to time.

" BRECA VI " means Blackstone Real Estate Capital Associates VI L.P., a Delaware limited partnership, and any other partnership or other entity with terms substantially similar to the terms of that partnership and formed after the date hereof in connection with the indirect participation by one or more partners thereof who receive Carried Interest.

" BRECA VI Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Capital Associates VI L.P., dated as of the date hereof, as amended, supplemented or otherwise modified from time to time, and any other BRECA VI partnership agreement.

" BREH VI " means Blackstone Real Estate Holdings VI L.P., a Delaware limited partnership.

" BREMA VI " means Blackstone Real Estate Management Associates VI L.P., a Delaware limited partnership, whose general partner is the Company.

" BREMA VI Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Management Associates VI L.P., dated as of the date hereof, as it may be further amended, supplemented or otherwise modified from time to time.

" BREP VI " means (i) Blackstone Real Estate Partners VI L.P., Blackstone Real Estate Partners VI.TE.1 L.P., Blackstone Real Estate Partners VI.TE.2 L.P. and Blackstone Real Estate Partners VI.F L.P., each a Delaware limited partnership, (ii) any other Parallel Funds or other Supplemental Capital Vehicles (each as defined in the BREP VI Partnership Agreement), or (iii) any other investment vehicle established pursuant to Article 2 of the respective partnership agreements for any of the partnerships referred to in clause (i) above.

" BREP VI Agreements " means the BREP VI Partnership Agreement and any other BREP VI partnership agreements.

" BREP VI Partnership Agreement " means the collective reference to the Amended and Restated Agreements of Limited Partnership of BREP VI, dated as of February 8, 2007, as may be amended, supplemented or otherwise modified from time to time

" Capital Commitment BRE Holdings VI Partner Interest " means BREMA VI's interest in BRE Holdings VI with respect to the Capital Commitment BREP VI Interest.

" Capital Commitment BREMA VI Partner Interest " means the Company's interest in BRE MA VI with respect to the Capital Commitment BRE Holdings VI Partner Interest.

" Capital Commitment BREP VI Commitment " means BRE Holdings VI's Capital Commitment (as defined in the BREP VI Partnership Agreement) to BREP VI that relates solely to the Capital Commitment BREP VI Interest.

" Capital Commitment BREP VI Investment " means the Company's indirect interest in BREMA VI's indirect interest in BRE Holdings VI's indirect interest in a specific investment of BREP VI pursuant to the BREP VI Partnership Agreement in BRE Holdings VI's capacity as a capital partner of BREP VI.

" Capital Commitment BREP VI Interest " means the Interest (as defined in the BREP VI Partnership Agreement) of BRE Holdings VI as a capital partner in BREP VI.

" Capital Commitment Capital Account " means, with respect to each Capital Commitment Investment for each Member, the account maintained for such Member to which are credited such Member's contributions to the Company with respect to such Capital Commitment Investment and any net income allocated to such Member pursuant to Section 7.3 with respect to such

Capital Commitment Investment and from which are debited any distributions with respect to such Capital Commitment Investment to such Member and any net losses allocated to such Member with respect to such Capital Commitment Investment pursuant to Section 7.3. In the case of any such distribution in kind, the Capital Commitment Capital Accounts for the related Capital Commitment Investment shall be adjusted as if the asset distributed had been sold in a taxable transaction and the proceeds distributed in cash, and any resulting gain or loss on such sale shall be allocated to the Members participating in such Capital Commitment Investment pursuant to Section 7.3.

" Capital Commitment Class A Interest " has the meaning set forth in Section 7.4(f).

" Capital Commitment Class B Interest " has the meaning set forth in Section 7.4(f).

" Capital Commitment Defaulting Party " has the meaning specified in Section 7.4(g)(ii).

" Capital Commitment Deficiency Contribution " has the meaning specified in Section 7.4(g)(ii).

" Capital Commitment Disposable Investment " has the meaning set forth in Section 7.4(f).

" Capital Commitment Distributions " means, with respect to each Capital Commitment Investment, all amounts of distributions, received by the Company with respect to such Capital Commitment Investment solely in respect of the Capital Commitment BREP VI Interest, less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto, in each case which the Managing Member may allocate to all or any portion of such Capital Commitment Investment as it may determine in good faith is appropriate.

" Capital Commitment Giveback Amount " has the meaning set forth in Section 7.4(g).

" Capital Commitment Interest " means the interest of a Member in a specific Capital Commitment Investment as provided herein.

" Capital Commitment Investment " means any Capital Commitment BREP VI Investment, but shall exclude any GP-Related Investment. The Managing Member shall determine who may participate in such Capital Commitment Investment.

" Capital Commitment Liquidating Share " with respect to each Capital Commitment Investment means, in the case of dissolution of the Company, the related Capital Commitment Capital Account of a Member (less amounts reserved in accordance with Section 9.3) as of the close of business on the effective date of dissolution.

" Capital Commitment Member Interest " means a Member's interest in the Company with respect to the Company's Capital Commitment BREMA VI Partner Interest.

" Capital Commitment Net Income (Loss) " with respect to each Capital Commitment Investment means all amounts of income received by the Company with respect to such Capital Commitment Investment, including without limitation gain or loss in respect of the disposition, in whole or in part, of such Capital Commitment Investment, less any costs, fees and expenses of the Company allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Company anticipated to be allocated thereto.

" Capital Commitment Profit Sharing Percentage " with respect to each Capital Commitment Investment means the percentage interest of a Member in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Company.

" Capital Commitment Recontribution Amount " has the meaning set forth in Section 7.4(g).

" Capital Commitment-Related Capital Contributions " has the meaning set forth in Section 7.1(a).

" Capital Commitment-Related Commitment ", with respect to any Member, means such Member's commitment to the Company relating to such Member's Capital Commitment Member Interest, as set forth in the books and records of the Company.

" Capital Commitment Special Distribution " has the meaning set forth in Section 7.7(a).

" Capital Commitment Value " has the meaning set forth in Section 7.5.

" Carried Interest " shall mean (i) distributions to the general partner of BREP VI (including BREA VI as long as it shall serve as such general partner) pursuant to paragraphs 4.2.1(c) and (d), paragraphs 4.2.2(c) and (d) and paragraph 4.2.8 of the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Partners VI L.P., paragraphs 4.2.1(c) and (d), paragraphs 4.2.2(c) and (d) and paragraph 4.2.8 of the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Partners VI.F L.P., paragraphs 4.2.1 (c) and (d) and paragraphs 4.2.2(c) and (d) of the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Partners VI.TE.1 L.P., paragraphs 4.2.1(c) and (d) and paragraphs 4.2.2(c) and (d) of the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Partners VI.TE.2 L.P. (or similar provisions of investment vehicles formed after the date hereof) and (ii) any other carried interest payable pursuant to the BREP VI Partnership Agreement. In the case of each of (i) and (ii) above, except as determined by the Managing Member, the amount shall not be less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto (in each case which the Managing Member may allocate among all or any portion of the GP-Related Investments as tit determines in good faith is appropriate).

" Carried Interest Give Back Percentage " shall mean, for any Member or Withdrawn Member, subject to Section 5.8(e), the percentage determined by dividing (A) the aggregate amount of distributions received by such Member or Withdrawn Member from the Company, any Other Fund GPs or their Affiliates, in respect of Carried Interest by (B) the aggregate amount of distributions made to all Members, Withdrawn Members or any other person by the Company, any Other Fund GP or their Affiliates (in any capacity), in respect of Carried Interest. For purposes of determining "Carried Interest Give Back Percentage" hereunder, all Trust Amounts contributed to the Trust by the Company, Other Fund GPs or their Affiliates on behalf of a Member or Withdrawn Member (but not the Trust Income thereon) shall be deemed to have been initially distributed or paid to the Members and Withdrawn Members as members or partners of the Company, any of the Other Fund GPs or their Affiliates.

" Carried Interest Sharing Percentage " means, with respect to each GP-Related Investment, the percentage interest of a Member in Carried Interest from such GP-Related Investment set forth in the books and records of the Company.

" Cause " means the occurrence or existence of any of the following with respect to any Member, as determined fairly, reasonably, on an informed basis and in good faith by the Managing

Member: (i) (w) any breach by any Member of any provision of any non-competition agreement, (x) any material breach of this Agreement or any rules or regulations applicable to such Member that are established by the Managing Member, (y) such Member's deliberate failure to perform his or her duties to the Company, or (z) such Member's committing to or engaging in any conduct or behavior that is or may be harmful to the Company in a material way as determined by the Managing Member; *provided*, that in the case of any of the foregoing clauses (w), (x), (y) and (z), the Managing Member has given such Member written notice (a " Notice of Breach ") within fifteen days after the Managing Member becomes aware of such action and such Member fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt of such Notice of Breach from the Managing Member (or such longer period, not to exceed an additional fifteen days, as shall be reasonably required for such cure, provided that such Member is diligently pursuing such cure); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Company; or (iii) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a regulatory body or by a self-regulatory body having authority with respect to securities laws, rules or regulations of the applicable securities industry, that such Member individually has violated any applicable securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a material adverse effect on (A) such Member's ability to function as a Member of the Company, taking into account the services required of such Member and the nature of the Company's business or (B) the business of the Company.

" CC Carried Interest " means, with respect to any Member, the aggregate amount of distributions or payments received by such Member (in any capacity) from Affiliates of the Company in respect of or relating to "carried interest", including the amount of any bonuses received by a Member as an employee of an Affiliate of the Company that relate to the amount of "carried interest" received by an Affiliate of the Company. "CC Carried Interest" includes any amount initially received by an Affiliate of the Company from any fund (including BCP V and BREP VI, any similar funds formed after the date hereof, and any other private equity merchant banking, real estate or mezzanine funds, whether or not in existence as of the date hereof) to which such Affiliate serves as general partner (or other similar capacity) that exceeds such Affiliate's pro rata share of distributions from such fund based upon capital contributions thereto (or the capital contributions to make the investment of such fund giving rise to such "carried interest").

" Charitable Organization " means an organization described in Section 170(c) of the Code (without regard to Section 170(C)(2)(A) thereof.

" Clawback Adjustment Amount " has the meaning set forth in Section 5.8(e).

" Clawback Amount " shall mean the "Clawback Amount" and the "Interim Clawback Amount", both as set forth in Article One of the BREP VI Partnership Agreement and any other clawback amount payable to the limited partners of BREP VI pursuant to any BREP VI Partnership Agreement, as applicable.

" Clawback Provisions " means paragraphs 4.2.9 and 9.2.8 of the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Partners VI L.P., paragraphs 4.2.9 and 9.2.8 of the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Partners VI.F L.P., paragraphs 4.2.8 and 9.2.8 of the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Partners VI.TE.1 L.P., paragraphs 4.2.8 and 9.2.8 of the Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Partners VI.TE.2 L.P. and any other similar provisions in any other BREP VI Partnership Agreement existing heretofore or hereafter entered into.

" Code " means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute. Any reference herein to a particular provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

" Commitment Agreements " means the agreements between the Company and the Members, pursuant to which each Member undertakes certain obligations, including the obligation to make capital contributions pursuant to Sections 4.1 and 7.1 hereof. The Commitment Agreements are hereby incorporated by reference as between the Company and the relevant Member.

" Company " has the meaning set forth in the preamble hereto.

" Contingent " means subject to repurchase rights and/or other requirements.

The term " control " when used with reference to any person means the power to direct the management and policies of such person, directly or indirectly, by or through stock or other equity ownership, agency or otherwise, or pursuant to or in connection with an agreement, arrangement or understanding (written or oral) with one or more other persons by or through stock ownership, agency or otherwise; and the terms " *controlling* " and " *controlled* " shall have meanings correlative to the foregoing.

" Controlled Entity " when used with reference to another person means any person controlled by such other person.

" Covered Person " has the meaning set forth in Section 3.5(a).

" Deceased Member " shall mean any Member or Withdrawn Member who has died or who suffers from Incompetence. For purposes hereof, references to a Deceased Member shall refer collectively to the Deceased Member and the estate and heirs or legal representative of such Deceased Member, as the case may be, that have received such Deceased Member's interest in the Company.

" Default Interest Rate " shall mean the lower of (i) the sum of (a) the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A., as its prime rate and (b) 5%, or (ii) the highest rate of interest permitted under applicable law.

" Estate Planning Vehicle " has the meaning set forth in Section 6.3.

" Excess Holdback " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Holdback Percentage " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Tax-Related Amount " has the meaning set forth in Section 5.8(e).

" Existing Member " shall mean any Member who is neither a Retaining Withdrawn Member nor a Deceased Member.

" Final Event " means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or withdrawal from the Company of any person who is a Member.

" Firm Advances " has the meaning set forth in Section 7.1(b).

" Firm Collateral " shall mean a Member's or Withdrawn Member's interest in one or more partnerships or limited liability companies, in either case affiliated with the Company, and certain other assets of such Member or Withdrawn Member, in each case that has been pledged or made available to the Trustee(s) to satisfy all or any portion of the Excess Holdback of such Member or Withdrawn Member as more fully described in the Company's books and records; provided , that for all purposes hereof (and any other agreement (e.g. , the Trust Agreement) that incorporates the meaning of the term "Firm Collateral" by reference), references to "Firm Collateral" shall include "Special Firm Collateral", excluding references to "Firm Collateral" in Section 4.1(d)(v) and Section 4.1(d)(viii).

" Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(v)(B) with respect to Firm Collateral, and Section 4.1(d)(viii)(B) with respect to Special Firm Collateral.

" Fiscal Year " shall mean a calendar year, or any other period chosen by the Managing Member.

" Fund GP " means the Company (only with respect to the Company's GP-Related BMA V Member Interest) and the Other Fund GPs.

" GAAP " has the meaning specified in Section 5.1(b).

" Giveback " shall mean an "Investment Specific Giveback", as such term is defined in the BREP VI Partnership Agreement.

" Giveback Amount " shall mean an "Investment Specific Giveback Amount", as such term is defined in the BREP VI Partnership Agreement.

" Giveback Provisions " shall mean paragraph 3.4.3 of the BREP VI Partnership Agreement and any other similar provisions in any other BREP VI Agreement existing heretofore or hereafter entered into.

" GP-Related BFREP VI Partner Interest " means BREMA VI's interest in BFREP VI.

" GP-Related BRE Holdings VI Partner Interest " means BREMA VI's interest in BRE Holdings VI with respect to the GP-Related BREA VI LP Interest.

" GP-Related BREA VI LP Interest " means the interest of BRE Holdings VI as a limited partner in BREA VI.

" GP-Related BREMA VI Partner Interest " means the Company's interest in BREMA VI with respect to the GP-Related BRE Holdings VI Partner Interest and the GP-Related BFREP VI Partner Interest.

" GP-Related BREP VI Investment " means the Company's indirect interest in BREMA VI's indirect interest in BRE Holdings VI's indirect interest in BREA VI's indirect interest in an Investment (for purposes of this definition, as defined in the BREP VI Partnership Agreement) in BREA VI's capacity as the general partner of BREP VI, but does not include any direct or indirect investment by the Company on a side-by-side basis in any investment, the Company's indirect interest in any direct or indirect investment by BREMA VI, BRE Holdings VI or BFREP VI on a side-by-side basis in any investment or any Capital Commitment Investment.

" GP-Related Capital Account " has the meaning set forth in Section 5.2.

" GP-Related Capital Contributions " means capital contributions to the Company as are necessary to fund the amounts required to satisfy the Company's obligations to make capital contributions to BREMA VI to satisfy BREMA VI's obligations to make capital contributions to BRE Holdings VI to satisfy BRE Holdings VI's obligations to make capital contributions to BREA VI in respect of the GP-Related BREA VI LP Interest, as determined by the Managing Member from time to time.

" GP-Related Class A Interest " has the meaning set forth in Section 5.8(a).

" GP-Related Class B Interest " has the meaning set forth in Section 5.8(a).

" GP-Related Commitment ", with respect to any Member, means such Member's commitment to the Company relating to such Member's GP-Related Member Interest, as set forth in the books and records of the Company, including any such commitment set forth in such Member's Commitment Agreement or SMD Agreement.

" GP-Related Defaulting Party " has the meaning set forth in Section 5.8(d)(ii).

" GP-Related Deficiency Contribution " has the meaning set forth in Section 5.8(d)(ii).

" GP-Related Disposable Investment " has the meaning set forth in Section 5.8(a).

" GP-Related Giveback Amount " has the meaning set forth in Section 5.8(d)(i).

" GP-Related Investment " means any investment (direct or indirect) of the Company in respect of the Company's GP-Related BREMA VI Partner Interest (including, without limitation, any GP-Related BREP VI Investment).

" GP-Related Member Interest " of a Member means all interests of such Member in the Company (other than such Member's Capital Commitment Member Interest), including, without limitation, such Member's interest in the Company with respect to the Company's GP-Related BREMA VI Partner Interest and BREMA VI's GP-Related BFREP VI Partner Interest and with respect to all GP-Related Investments.

" GP-Related Net Income (Loss) " has the meaning set forth in Section 5.1(b).

" GP-Related Profit Sharing Percentage " means the "Carried Interest Sharing Percentage" and "Non-Carried Interest Sharing Percentage" of each Member; provided that any references in this Agreement to GP-Related Profit Sharing Percentages made (a) in connection with voting or voting rights or (b) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) shall mean the "Non-Carried Interest Sharing Percentage" of each Member; provided further that, the term "GP-Related Profit Sharing Percentage" shall not include any Capital Commitment Profit Sharing Percentage.

" GP-Related Recontribution Amount " has the meaning set forth in Section 5.8(d)(i).

" GP-Related Required Amounts " has the meaning set forth in Section 4.1.

" GP-Related Unallocated Percentage " has the meaning set forth in Section 5.3(b).

" GP-Related Unrealized Net Income (Loss) " attributable to any GP-Related BREP VI Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the

Company with respect to such GP-Related BREP VI Investment if BREP VI's entire portfolio of investments were sold on such date for cash in an amount equal to their aggregate value on such date (determined in accordance with Section 5.1(e)) and all distributions payable by BREP VI to the Company (indirectly through the general partner of BREP VI, BRE Holdings VI and BREMA VI) pursuant to the BREP VI Partnership Agreement with respect to such GP-Related BREP VI Investment were made on such date. "GP-Related Unrealized Net Income (Loss)" attributable to any other GP-Related Investment (excluding any Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Company with respect to such GP-Related Investment if such GP-Related Investment were sold on such date for cash in an amount equal to its value on such date (determined in accordance with Section 5.1(e)).

" Holdback " has the meaning set forth in Section 4.1(d)(i).

" Holdback Percentage " has the meaning set forth in Section 4.1(d)(i).

" Holdback Vote " has the meaning set forth in Section 4.1(d)(iv)(A).

" Holdings " has the meaning set forth in the preamble hereto.

" Incompetence " means, with respect to any Member, the determination by the Managing Member in its sole discretion, after consultation with a qualified medical doctor, that such Member is incompetent to manage his person or his property.

" Inflation Index " means (i) the GNP deflator, which is the fixed-weighted price index representing the average change in the United States gross national product as published in the Survey of Current Business by the National Income and Wealth Division of the Bureau of Economic Analysis of the U.S. Department of Commerce, or (ii) such other index measuring changes in economic prices in the United States as shall be selected by the Managing Member.

" Initial Holdback Percentages " has the meaning set forth in Section 4.1(d)(i).

" Interest " means a limited liability company interest (as defined in § 18-101(8) of the LLC Act) in the Company, including those that are held by a Retaining Withdrawn Member and including any Member's GP-Related Member Interest and Capital Commitment Member Interest.

" Investment " means any investment (direct or indirect) of the Company designated by the Managing Member from time to time as an investment in which the Members' respective interests shall be established and accounted for on a basis separate from the Company's other businesses, activities and investments, including (a) GP-Related Investments, and (b) Capital Commitment Investments, .

" Investor Note " means a promissory note of a Member evidencing indebtedness incurred by such Member to purchase a Capital Commitment Interest, the terms of which were or are approved by the Managing Member and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Member and all other interests in BFREP and interests in BFIP, BFMEZP and BFCOMP; provided , that such promissory note may also evidence indebtedness relating to other interests in BFREP and interests in BFIP, BFMEZP and BFCOMP, and such indebtedness shall be prepayable with Capital Commitment Net Income (whether or not such indebtedness relates to Capital Commitment Investments) as set forth in this Agreement, the Investor Note, the other BFREP Agreements and the BFIP Agreements, BFMEZP Agreements and BFCOMP Agreements and any documentation relating to Other Sources; provided further , that references to "Investor Notes" herein refer to multiple loans made pursuant to such note, whether made with respect to Capital Commitment

Investments, other BFREP Investments, BFIP Investments, BFMEZP Investments or BFCOMP Investments, and references to an "Investor Note" refer to one such loan as the context requires. In no way shall any indebtedness incurred to acquire Capital Commitment Interests, other interests in BFREP or interests in BFIP, BFMEZP or BFCOMP be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

" Investor Special Member " means any Special Member so designated at the time of its admission by the Managing Member as a Member of the Company.

" Issuer " means the issuer of any Security comprising part of an Investment.

" L/C " has the meaning set forth in Section 4.1(d)(vi).

" L/C Member " has the meaning set forth in Section 4.1(d)(vi).

" LLC Act " means the Delaware Limited Liability Company Act, 6 Del.C. § 18-101, et seq. , as it may be amended from time to time, and any successor to such Act.

" Lender or Guarantor " means Holdings, in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Company that makes or guarantees loans to enable a Member to acquire Capital Commitment Interests, other interests in BFREP or interests in BFIP, interests in BFMEZP or interests in BFCOMP.

" Loss Amount " has the meaning set forth in Section 5.8(e).

" Loss Investment " has the meaning set forth in Section 5.8(e).

" Majority in Interest of the Members " on any date (a " vote date ") means one or more persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date and who, as of the last day of the most recent accounting period ending on or prior to the vote date (or as of such later date on or prior to the vote date selected by the Managing Member as of which the Members' capital account balances can be determined), have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date.

" Managing Member " has the meaning specified in the preamble hereto.

" Member " means any person who is a member of the Company, including the Regular Members, the Managing Member and the Special Members. Except as otherwise specifically provided herein, no group of Members, including the Special Members and any group of Members in the same Member Category, shall have any right to vote as a class on any matter relating to the Company, including, but not limited to, any merger, reorganization, dissolution or liquidation.

" Member Category " shall mean the Managing Member, the Existing Members, Retaining Withdrawn Members or Deceased Members, each referred to as a group for purposes hereof.

" Moody's " means Moody's Investors Services, Inc., or any successor thereto.

" Net Carried Interest Distribution " has the meaning set forth in Section 5.8(e).

" Net Carried Interest Distribution Recontribution Amount " has the meaning set forth in Section 5.8(e).

" Net GP-Related Recontribution Amount " has the meaning set forth in Section 5.8(c)(i).

" Non-Carried Interest " means, with respect to each GP-Related Investment, all amounts of distributions, other than Carried Interest and other than Capital Commitment Distributions, received by the Company with respect to such GP-Related Investment, less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto, in each case which the Managing Member may allocate to all or any portion of the GP-Related Investments as it may determine in good faith is appropriate.

" Non-Carried Interest Sharing Percentage " means, with respect to each GP-Related Investment, the percentage interest of a Member in Non-Carried Interest from such GP-Related Investment set forth in the books and records of the Company.

" Non-Contingent " means generally not subject to repurchase rights or other requirements.

" Nonvoting Special Member " has the meaning set forth in Section 6.1(a).

" Other Fund GPs " means BREMA VI, BRE Holdings VI, BREA VI, BRECA VI, and any other entity (other than the Company) through which any Member, Withdrawn Member or any other person directly receives any amounts of Carried Interest, and any successor thereto (in each of the foregoing cases, solely with respect to their respective interests related directly or indirectly to the GP-Related BREA VI LP Interest); provided , that this includes any other entity which has in its organizational documents a provision which indicates that it is a "Fund GP" or an "Other Fund GP"; provided further , that notwithstanding any of the foregoing, none of Holdings, any estate planning vehicle established for the benefit of family members of any Member or any member or partner of any Other Fund GP shall be considered an "Other Fund GP" for purposes hereof; provided further , that the foregoing exclusion of such estate planning vehicles shall in no way limit such Members' obligations pursuant to Section 5.8(d).

" Other Sources " means (i) distributions or payments of CC Carried Interest (which shall include amounts of CC Carried Interest which are not distributed or paid to a Member but are instead contributed to a trust (or similar arrangement) to satisfy any "holdback" obligation with respect thereto), and (ii) distributions from BFREP (other than from the Company), BFIP, BFMEZP and BFCOMP to such Member.

" Parallel Fund " means any additional collective investment vehicles (or other similar arrangements) formed pursuant to paragraph 2.8 of the BREP VI Partnership Agreement.

" Pledgable Blackstone Interests " has the meaning set forth in Section 4.1(d)(v)(A)

" Prime Rate " means the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A. as its prime rate.

" Qualifying Fund " means any fund designated by the Managing Member as a "Qualifying Fund".

" Regular Member " shall mean any Member, excluding the Managing Member and any Special Members.

" Repurchase Period " has the meaning set forth in Section 5.8(b).

" Required Rating " has the meaning set forth in Section 4.1(d)(vi).

" Retained Portion " has the meaning set forth in Section 7.6.

" Retaining Withdrawn Member " shall mean a Withdrawn Member who has retained a GP-Related Member Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Member shall be considered a Nonvoting Special Member for all purposes hereof.

" Securities " means any debt or equity securities of an Issuer and its subsidiaries and other Controlled Entities constituting part of an Investment, including without limitation common and preferred stock, interests in limited partnerships and interests in limited liability companies (including warrants, rights, put and call options and other options relating thereto or any combination thereof), notes, bonds, debentures, trust receipts and other obligations, instruments or evidences of indebtedness, choses in action, other property or interests commonly regarded as securities, interests in real property, whether improved or unimproved, interests in oil and gas properties and mineral properties, short-term investments commonly regarded as money-market investments, bank deposits and interests in personal property of all kinds, whether tangible or intangible.

" Settlement Date " has the meaning set forth in Section 6.5(a).

" SMD Agreements " means the agreements between the Company and/or one or more of its affiliates and the Members, pursuant to which each Member undertakes certain obligations with respect to the Company and/or its affiliates. The SMD Agreements are hereby incorporated by reference as between the Company and the relevant Member.

" Special Firm Collateral " means interests in a Qualifying Fund or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) as more fully described in the Company's books and records.

" Special Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(viii)(B).

" Special Member " means any person shown on the books and records of the Company as a Special Member of the Company, including any Nonvoting Special Member, and any Investor Special Member.

" S&P " means Standard & Poor's Ratings Group, and any successor thereto.

" Subject Investment " has the meaning set forth in Section 5.8(e).

" Subject Member " has the meaning set forth in Section 4.1(d)(iv).

" Tax Matters Member " has the meaning set forth in Section 6.7(b).

" Total Disability " means the inability of a Member substantially to perform the services required of a Regular Member for a period of six consecutive months by reason of physical or mental illness or incapacity and whether arising out of sickness, accident or otherwise.

" Trust Account " has the meaning set forth in the Trust Agreement.

" Trust Agreement " means the Trust Agreement, dated as of February 8, 2007, as amended to date, among the Members, the Trustee(s) and certain other persons that may receive distributions in respect of or relating to Carried Interest from time to time.

" Trust Amount " has the meaning set forth in the Trust Agreement.

" Trust Income " has the meaning set forth in the Trust Agreement.

" Trustee(s) " has the meaning set forth in the Trust Agreement.

" Unadjusted Carried Interest Distribution " has the meaning set forth in Section 5.8(e).

" Unallocated Capital Commitment Interests " has the meaning set forth in Section 8.1(f).

" Withdraw " or " Withdrawal " with respect to a Member means a Member ceasing to be a member of the Company (except as a Retaining Withdrawn Member) for any reason (including death, disability, removal, resignation or retirement, whether such is voluntary or involuntary), unless the context shall limit the type of withdrawal to a specific reason, and "Withdrawn" with respect to a Member means, as aforesaid, a Member who has ceased to be a member of the Company.

" Withdrawal Date " means the date of Withdrawal from the Company of a Withdrawn Member.

" Withdrawn Member " means a Member whose interest in the Company has been terminated for any reason, including the occurrence of an event specified in Section 6.2, and shall include, unless the context requires otherwise, the estate or legal representatives of any such Member.

1.2. Terms Generally . The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The term "person" includes individuals, partnerships (including limited liability partnerships), companies (including limited liability companies), joint ventures, corporations, trusts, governments (or agencies or political subdivisions thereof) and other associations and entities. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

GENERAL PROVISIONS

2.1. Managing, Regular and Special Members . The Members may be Managing Members, Regular Members or Special Members (including Investor Special Members). The Managing Member as of the date hereof is Holdings and the Regular Members as of the date hereof are those persons shown as Regular Members on the signature pages hereof, and the Special Members as of the date hereof are persons shown as Special Members on the signature pages hereof. The books and records of the Company contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each such Member with respect to the GP-Related Investments of the Company as of the date hereof. The books and records of the Company contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment of each such Member with respect to the Capital Commitment Investments of the Company as of the date hereof. The books and records of the Company shall be

amended by the Managing Member from time to time to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Company of GP-Related Investments, dispositions by the Company of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Members, as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Members, as modified from time to time, the admission and withdrawal of Members and the transfer or assignment of interests in the Company pursuant to the terms of this Agreement. At the time of admission of each additional Member, the Managing Member shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Member shall participate and such Member's GP-Related Commitment, Capital Commitment-Related Commitment, GP-Related Profit Sharing Percentage with respect to each such GP-Related Investment and Capital Commitment Profit Sharing Percentage with respect to each such Capital Commitment Investment. Each Member may have a GP-Related Member Interest and a Capital Commitment Member Interest.

2.2. Formation; Name; Foreign Jurisdictions . The Company is hereby continued as a limited liability company pursuant to the LLC Act and shall continue to conduct its activities under the name of BREA VI L.L.C. The certificate of formation of the Company may be amended and/or restated from time to time by the Managing Member, as an "authorized person" (within the meaning of the LLC Act). The Managing Member is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

2.3. Term . The term of the Company shall continue until December 31, 2057, unless earlier dissolved and its affairs wound up in accordance with this Agreement.

2.4. Purpose; Powers . (a) The purpose of the Company shall be, directly or indirectly through subsidiaries or affiliates, (i) to serve as sole member of BREA VI Sub and perform the functions of the sole member specified in the BREA VI Sub LLC Agreement, (ii) to serve as a general partner of BREMA VI and BRECA VI and perform the functions of the general partner specified in the BREMA VI Partnership Agreement and a general partner specified in the BRECA VI Partnership Agreement, (iii) to invest in Investments and to acquire and invest in Securities or other property (directly or indirectly) through BREP VI (including any Alternative Investment Vehicle and any Parallel Fund), (iv) to serve as a general partner or limited partner of other partnerships and perform the functions of a general partner or limited partner specified in the respective partnership agreements, as amended, supplemented or otherwise modified from time to time, of any such partnership, (v) to serve as a member of limited liability companies and perform the functions of a member specified in the respective limited liability company agreements, as amended, supplemented or otherwise modified from time to time, of any such limited liability company, (vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the Managing Member and as are permitted under the LLC Act, the BREA VI Sub LLC Agreement, the BREMA VI Partnership Agreement, the BRECA VI Partnership Agreement, the BRE Holdings VI Partnership Agreement, the BFREP VI Partnership Agreement and the respective partnership agreements, as amended, supplemented or otherwise modified from time to time, of any partnership referred to in clause (iv) above, and the respective limited liability company agreements, as amended, supplemented or otherwise modified from time to time, of any limited liability company referred to in clause (v) above, and (vii) any other lawful purpose, and (viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the Company shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, as principal or agent, including the following:

(i) to be and become a general or limited partner of partnerships, a member of limited liability companies, a holder of common and preferred stock of corporations and/or an investor in the foregoing entities or other entities, in connection with the making of Investments or the acquisition, holding or disposition of Securities or other property or as otherwise deemed appropriate by the Managing Member in the conduct of the Company's business, and to take any action in connection therewith;

(ii) to acquire and invest in general or limited partner interests, in limited liability company interests, in common and preferred stock of corporations and/or in other interests in or obligations of the foregoing entities or other entities and in Investments and Securities or other property or direct or indirect interests therein, whether such Investments and Securities or other property are readily marketable or not, and to receive, hold, sell, dispose of or otherwise transfer any such partner interests, limited liability company interests, stock, interests, obligations, Investments or Securities or other property and any dividends and distributions thereon and to purchase and sell, on margin, and be long or short, futures contracts and to purchase and sell, and be long or short, options on futures contracts;

(iii) to buy, sell and otherwise acquire investments, whether such investments are readily marketable or not;

(iv) to invest and reinvest the cash assets of the Company in money-market or other short-term investments;

(v) to hold, receive, mortgage, pledge, lease, transfer, exchange or otherwise dispose of, grant options with respect to, and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to, all property held or owned by the Company;

(vi) to borrow or raise money from time to time and to issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and non-negotiable instruments and evidences of indebtedness, to secure payment of the principal of any such indebtedness and the interest thereon by mortgage, pledge, conveyance or assignment in trust of, or the granting of a security interest in, the whole or any part of the property of the Company, whether at the time owned or thereafter acquired, to guarantee the obligations of others and to buy, sell, pledge or otherwise dispose of any such instrument or evidence of indebtedness;

(vii) to lend any of its property or funds, either with or without security, at any legal rate of interest or without interest;

(viii) to have and maintain one or more offices within or without the State of Delaware, and in connection therewith, to rent or acquire office space, engage personnel and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(ix) to open, maintain and close accounts, including margin accounts, with brokers;

(x) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys;

(xi) to engage accountants, auditors, custodians, investment advisers, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate any of them as may be necessary or advisable;

(xii) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, to form or cause to be formed and to participate in partnerships and joint ventures, whether foreign or domestic and to form or cause to be formed and be a member or manager or both of one or more limited liability companies;

(xiii) to enter into, make and perform all contracts, agreements and other undertakings as may be necessary, convenient, advisable or incident to carrying out its purposes;

(xiv) to sue and be sued, to prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment to claims against the Company, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xv) to distribute, subject to the terms of this Agreement, at any time and from time to time to the Members cash or investments or other property of the Company, or any combination thereof; and

(xvi) to take such other actions necessary, desirable, convenient or incidental thereto and to engage in such other businesses as may be permitted under Delaware law.

2.5. Place of Business . The Company shall maintain a registered office at The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The Company shall maintain an office and principal place of business at such place or places as the Managing Member specifies from time to time and as set forth in the books and records of the Company. The name and address of the Company's registered agent is The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The Managing Member may from time to time change the registered agent or office by an amendment to the certificate of formation of the Company.

ARTICLE III

MANAGEMENT

3.1. Managing Member . (a) Holdings shall be an original managing member (the " Managing Member "). The Managing Member shall cease to be the Managing Member only if it (i) Withdraws from the Company for any reason, (ii) consents in its sole discretion to resign as the Managing Member, or (iii) becomes the subject of a Final Event. The Managing Member may not be removed without its consent. There may be one or more Managing Members. In the event that one or more other Managing Members is admitted to the Company as such, all references herein to the "Managing Member" in the singular form shall be deemed to also refer to such other Managing Members as may be appropriate. The relative rights and responsibilities of such Managing Members will be as agreed upon from time to time between them.

(b) Upon the Withdrawal from the Company or voluntary resignation of the last remaining Managing Member, all of the powers formerly vested therein pursuant to this Agreement and the LLC Act shall be exercised by a Majority in Interest of the Members.

3.2. Member Voting, etc . . (a) Meetings of the Members may be called only by the Managing Member.

(b) Except as otherwise expressly provided herein and except as may be expressly required by the LLC Act, Special Members as such shall have no right to, and shall not, take part in the management or control of the Company's business or act for or bind the Company, and shall have only the rights and powers granted to Special Members herein.

(c) To the extent a Member is entitled to vote with respect to any matter relating to the Company, such Member shall not be obligated to abstain from voting on any matter (or vote in any particular manner) because of any interest (or conflict of interest) of such Member (or any affiliate thereof) in such matter.

3.3. Management . (a) The management, control and operation of the Company and the formulation and execution of business and investment policy shall be vested in the Managing Member. The Managing Member shall, in its discretion, exercise all powers necessary and convenient for the purposes of the Company, including those enumerated in Section 2.4, on behalf and in the name of the Company. All decisions and determinations (howsoever described herein) to be made by the Managing Member pursuant to this Agreement shall be made in its sole discretion, subject only to the express terms and conditions of this Agreement.

(b) The Managing Member, and any other person designated by the Managing Member, each acting individually, is hereby authorized and empowered, as an authorized person of the Company within the meaning of the LLC Act, or otherwise (the Managing Member hereby authorizing and ratifying any of the following actions):

(i) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company and/or in the name and on behalf of the Company as general partner of each Partnership (as hereinafter defined)) any agreement of the Company (including, without limitation, any Partnership Agreement (as hereinafter defined)) or of any Partnership (and any amendments, restatements and/or supplements thereof), the certificate of formation of the Company (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of each Partnership (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Company or any Partnership to qualify to do business in a jurisdiction in which the Company or such Partnership desires to do business;

(ii) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company and/or in the name and on behalf of Company as general partner of BREMA VI in its capacity as general partner of each Blackstone Partnership (as hereinafter defined)) any agreement of BREMA VI (including, without limitation, each Blackstone Partnership Agreement (as hereinafter defined)) or of any Blackstone Partnership (including, without limitation, the BREP VI Partnership Agreement and any other BREP VI Agreements) (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of each Blackstone Partnership (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for any Blackstone Partnership to qualify to do business in a jurisdiction in which such Blackstone Partnership desires to do business;

(iii) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as sole member of BREA VI Sub, on its own behalf or in its capacity as general partner of BREA VI on its own behalf or in its capacity as general partner of BREP VI), any of the following:

(A) any agreement, certificate, instrument or other document of BREA VI Sub, BREA VI or BREP VI (and any amendments, restatements and/or supplements thereof), including, without limitation, the following: (I) the BREP VI Partnership Agreement, any other BREP VI Agreements and the BREA VI Partnership Agreement, (II) Subscription Agreements on behalf of BREP VI and/or BREA VI as general partner of BREP VI, (III) side letters issued in connection with investments in BREP VI, and (IV) such other agreements, instruments, certificates and other documents as may be necessary or desirable in furtherance of BREA VI Sub's, BREA VI's or BREP VI's purposes (and any amendments, restatements and/or supplements of any of the foregoing referred to in (I) through (IV) of this clause (A));

(B) the certificates of formation, certificate of limited partnership and/or other organizational documents of BREA VI Sub, BREA VI and BREP VI (and any amendments, restatements and/or supplements thereof); and

(C) any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for BREA VI Sub, BREA VI and BREP VI to qualify to do business in a jurisdiction in which BREA VI Sub, BREA VI or BREP VI desires to do business;

(iv) to execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as sole member of BREA VI Sub in its capacity as general partner of BREA VI in its capacity as general partner of each Blackstone Entity) any agreement of BREA VI (including, without limitation, each Blackstone Entity Agreement) or of any Blackstone Entity (and any amendments, restatements and/or supplements thereof), the certificate of limited partnership of each Blackstone Entity (and any amendments, restatements and/or supplements thereof) and any other certificates, notices, applications and other documents (and any amendments, restatements and/or supplements thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for any Blackstone Entity to qualify to do business in a jurisdiction in which such Blackstone Entity desires to do business;

(v) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action in the name and on behalf of the Company and/or in the name and on behalf of the Company as general partner of each Partnership) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of the Company's or such Partnership's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of the Company and/or such Partnership, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of the Company or such Partnership or any banking facilities or services that may be utilized by the Company or such Partnership, and all checks, notes, drafts and other documents of the Company

or such Partnership that may be required in connection with any such bank account or any such banking facilities or services, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and Managing Member, the Company and any Partnership, as applicable, for all purposes), and (E) any amendments, restatements and/or supplements of any of the foregoing;

(vi) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company and/or in the name and on behalf of the Company as general partner BREMA VI in its capacity as a general partner of each Blackstone Partnership) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of BREMA VI's or such Blackstone Partnership's purposes (including, without limitation, the BREP VI Partnership Agreement and any other BREP VI Agreements), (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of BREMA VI and/or such Blackstone Partnership, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of BREMA VI or such Blackstone Partnership or any banking facilities or services that may be utilized by BREMA VI or such Blackstone Partnership, and all checks, notes, drafts and other documents of BREMA VI or such Blackstone Partnership that may be required in connection with any such bank account or any such banking facilities or services, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and Managing Member, the Company, BREMA VI or any Blackstone Partnership, as applicable, for all purposes), and (E) any amendments, restatements and/or supplements of any of the foregoing;

(vii) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as sole member of BREA VI Sub, on its own behalf or in its capacity as general partner of BREA VI on its own behalf or in its capacity as general partner of BREP VI): (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of BREA VI Sub's, BREA VI's or BREP VI's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of BREA VI Sub, BREA VI and/or BREP VI, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of BREA VI Sub, BREA VI and/or BREP VI or any banking facilities or services that may be utilized by BREA VI Sub, BREA VI and/or BREP VI,, and all checks, notes, drafts and other documents of BREA VI Sub, BREA VI and/or BREP VI that may be required in connection with any such bank account or any such banking facilities or service, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and Managing Member, the Company, BREA VI Sub, BREA VI or BREP VI, as applicable, for all purposes), and (E) any amendments, restatements and/or supplements of any of the foregoing; and

(viii) to prepare or cause to be prepared, and to sign, execute and deliver and/or file (including any such action, directly or indirectly through one or more other entities, in the name and on behalf of the Company as sole member of BREA VI Sub in its capacity as general partner of BREA VI in its capacity as general partner of each Blackstone Entity) (A) such documents, instruments, certificates and agreements as may be necessary or desirable in furtherance of any

Blackstone Entity's purposes, (B) any certificates, forms, notices, applications and other documents to be filed with any government or governmental or regulatory body on behalf of any Blackstone Entity, (C) any certificates, forms, notices, applications and other documents that may be necessary or advisable in connection with any bank account of any Blackstone Entity or any banking facilities or services that may be utilized by any Blackstone Entity, and all checks, notes, drafts and other documents of any Blackstone Entity that may be required in connection with any such bank account or any such banking facilities or services, (D) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.3(b), each acting individually, shall be deemed to have been adopted by the Members and Managing Member, the Company, BREA VI Sub, BREA VI or any Blackstone Entity, as applicable, for all purposes, and (E) any amendments, restatements and/or supplements of any of the foregoing.

The authority granted to any person (other than a Managing Member) in this Section 3.3(b) may be revoked at any time by the Managing Member by an instrument in writing signed by the Managing Member. As used in this Section 3.3(b), the following terms have the following meanings: " Blackstone Entities " means, collectively, BREH VI and any other limited partnership (other than BREP VI) of which BREA VI is the general partner. " Blackstone Entity Agreements " means, collectively, the limited partnership or other governing agreements, as amended, restated and/or supplemented, of the Blackstone Entities. " Blackstone Partnerships " means, collectively, BRE Holdings VI, BFREP VI and any other limited partnership of which BREMA VI is the general partner, " Blackstone Partnership Agreements " means, collectively, the limited partnership agreements, as amended, restated and/or supplemented, of the Blackstone Partnerships. " Partnerships " means, collectively, BREMA VI, BRECA VI and any other limited partnership of which the Company is the general partner. " Partnership Agreements " means, collectively, the limited partnership agreements, as amended, restated and/or supplemented, of the Partnerships.

Notwithstanding any provision of this Agreement or any other agreement to the contrary, (x) each and every agreement, certificate, instrument, notice, form, application or other document of the Company, BREA VI Sub, BREA VI, BREP VI, BREMA VI, any Blackstone Entity, any Blackstone Partnership or any Partnership referred to in this Section 3.3 (whether specifically or in general terms) (and any amendments, restatements and/or supplements of any thereof) is hereby authorized, ratified, approved and confirmed in all respects, on behalf of the Company, BREA VI Sub, BREA VI, BREP VI, BREMA VI, any Blackstone Entity, any Blackstone Partnership or any Partnership (each in all applicable capacities); (y) each of the Company, BREA VI Sub, BREA VI, BREP VI, BREMA VI, any Blackstone Entity, any Blackstone Partnership or any Partnership is hereby authorized, to execute and deliver, and to perform the applicable entity's obligations (including, without limitation, serving as general partner, sole member or in any other capacity) under, each such agreement, certificate, instrument, notice, form, application or other document (and any amendment, restatement and/or supplement of any thereof); and (z) to take any action, in the applicable capacity, contemplated by or arising out of each such agreement, certificate, instrument, notice, form, application or other document (and any amendment, restatement and/or supplement of any thereof), in each and every one of the foregoing cases (x), (y) and (z), without the need for any further act, vote or consent of any person.

3.4. Responsibilities of Members . (a) Unless otherwise determined by the Managing Member in a particular case, each Regular Member shall devote substantially all his time and attention to the businesses of the Company and its affiliates, and each Special Member shall not be required to devote any time or attention to the businesses of the Company or its affiliates.

(b) All outside business or investment activities of the Members, (including outside directorships or trusteeships), shall be subject to such rules and regulations as are established by the Managing Member from time to time.

(c) The Managing Member may from time to time establish such other rules and regulations applicable to Members or other employees as the Managing Member deems appropriate, including rules governing the authority of Members or other employees to bind the Company to financial commitments or other obligations.

3.5. Exculpation and Indemnification . (a) Liability to Members . Notwithstanding any other provision of this Agreement, whether express or implied, to the fullest extent permitted by law, no Member nor any of such Member's representatives, agents or advisors nor any partner, member, officer, employee, representative, agent or advisor of the Company or any of its Affiliates (individually, a " Covered Person " and collectively, the " Covered Persons ") shall be liable to the Company or any other Member for any act or omission (in relation to the Company, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) taken or omitted by a Covered Person (other than any act or omission constituting Cause), unless there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful. Each Covered Person shall be entitled to rely in good faith on the advice of legal counsel to the Company, accountants and other experts or professional advisors, and no action taken by any Covered Person in reliance on such advice shall in any event subject such person to any liability to any Member or the Company. To the extent that, at law or in equity, a Member has duties (including fiduciary duties) and liabilities relating thereto to the Company or to another Member, to the fullest extent permitted by law, such Member acting under this Agreement shall not be liable to the Company or to any such other Member for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of a Member otherwise existing at law or in equity, are agreed by the Members, to the fullest extent permitted by law, to modify to that extent such other duties and liabilities of such Member.

(b) Indemnification . To the fullest extent permitted by law, the Company shall indemnify and hold harmless (but only to the extent of the Company's assets (including, without limitation, the remaining capital commitments of the Members) each Covered Person from and against any and all claims, damages, losses, costs, expenses and liabilities (including, without limitation, amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim), joint and several, of any nature whatsoever, known or unknown, liquidated or unliquidated (collectively, " Losses "), arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of such Covered Person's management of the affairs of the Company or which relate to or arise out of or in connection with the Company, its property, its business or affairs (other than claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, arising out of any act or omission of such Covered Person constituting Cause); provided , that a Covered Person shall not be entitled to indemnification under this Section with respect to any claim, issue or matter if there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interest of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful; provided further , that if

such Covered Person is a Member or a Withdrawn Member, such Covered Person shall bear its share of such Losses in accordance with such Covered Person's GP-Related Profit Sharing Percentage in the Company as of the time of the actions or omissions that gave rise to such Losses. To the fullest extent permitted by law, expenses (including legal fees) incurred by a Covered Person (including, without limitation, the Managing Member) in defending any claim, demand, action, suit or proceeding may, with the approval of the Managing Member, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of a written undertaking by or on behalf of the Covered Person to repay such amount to the extent that it shall be subsequently determined that the Covered Person is not entitled to be indemnified as authorized in this Section, and the Company and its Affiliates shall have a continuing right of offset against such Covered Person's interests/investments in the Company and such Affiliates and shall have the right to withhold amounts otherwise distributable to such Covered Person to satisfy such repayment obligation. If a Member institutes litigation against a Covered Person which gives rise to an indemnity obligation hereunder, such Member shall be responsible, up to the amount of such Member's Interests and remaining capital commitment, for such Member's pro rata share of the Company's expenses related to such indemnity obligation, as determined by the Managing Member. The Company may purchase insurance, to the extent available at reasonable cost, to cover losses, claims, damages or liabilities covered by the foregoing indemnification provisions. Members will not be personally obligated with respect to indemnification pursuant to this Section.

3.6. Representations of Members . (a) Each Regular and Special Member by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the LLC Act) represents and warrants to every other Member and to the Company, except as may be waived by the Managing Member, that such Member is acquiring each of such Member's Interests for such Member's own account for investment and not with a view to resell or distribute the same or any part hereof, and that no other person has any interest in any such Interest or in the rights of such Member hereunder; *provided*, that a Member may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Regular and Special Member represents and warrants that such Member understands that the Interests have not been registered under the Securities Act of 1933 and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Member must bear the economic risk of an investment in the Company for an indefinite period of time. Each Regular and Special Member represents that such Member has such knowledge and experience in financial and business matters, that such Member is capable of evaluating the merits and risks of an investment in the Company, and that such Member is able to bear the economic risk of such investment. Each Regular and Special Member represents that such Member's overall commitment to the Company and other investments which are not readily marketable is not disproportionate to the Member's net worth and the Member has no need for liquidity in the Member's investment in Interests. Each Regular and Special Member represents that to the full satisfaction of the Member, the Member has been furnished any materials that such Member has requested relating to the Company, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Company concerning the terms and conditions of the offering of Interests and any matters pertaining to each Investment and to obtain any other additional information relating thereto. Each Regular and Special Member represents that the Member has consulted to the extent deemed appropriate by the Member with the Member's own advisers as to the financial, tax, legal and related matters concerning an investment in Interests and on that basis believes that an investment in the Interests is suitable and appropriate for the Member. Each Regular and Special Member represents that such Member is a "qualified purchaser" (as such term is used in the Investment Company Act of 1940, as amended (the " 1940 Act ")), for purposes, among other things, of Section 3(c)(7) of the 1940 Act.

(b) Each Regular and Special Member agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Member (1) makes a capital contribution to the Company (whether as a result of Firm Advances made to such Member or otherwise) with respect to any Investment, and such Member hereby agrees that such capital contribution shall serve as confirmation thereof and/or (2) repays any portion of the principal amount of a Firm Advance, and such Member hereby agrees that such repayment shall serve as confirmation thereof.

3.7. Tax Information . Each Regular and Special Member certifies that (A) if the Member is a United States person (as defined in the Code) (x) (i) the Member's name, social security number (or, if applicable, employer identification number) and address provided to the Company and its affiliates pursuant to an IRS Form W-9, Payer's Request for Taxpayer Identification Number Certification (" W-9 ") or otherwise are correct and (ii) the Member will complete and return a W-9, and (y) (i) the Member is a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of a change to foreign (non-United States) status or (B) if the Member is not a United States person (as defined in the Code) (x) (i) the information on the completed IRS Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding (" W-8BEN ") or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Partnership, or Certain U.S. Branches for United States Tax Withholding (" W-8IMY "), or otherwise is correct and (ii) the Member will complete and return the applicable IRS form, including but not limited to a W-8BEN or W-8IMY, and (y) (i) the Member is not a United States person (as defined in the Code) and (ii) the Member will notify the Company within 60 days of any change of such status. The Member agrees to properly execute and provide to the Company in a timely manner any tax documentation that may be reasonably required by the Company or the Managing Member.

ARTICLE IV

CAPITAL OF THE COMPANY

4.1. Capital Contributions by Members . (a) Except as agreed by the Managing Member and a Regular Member, each Regular Member shall not be required to make capital contributions (" GP-Related Capital Contributions ") equal to such amounts and at such times (the " GP-Related Required Amounts ") as determined by the Managing Member from time to time; provided , that (i) such additional GP-Related Capital Contributions may be made *pro rata* among the Regular Members based upon the allocation of the Carried Interest in each GP-Related BREP VI Investment by the Managing Member and (ii) additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts which are to be used for ongoing business operations (as distinct from financing, legal or other specific liabilities of the Company (including those specifically set forth in Sections 4.1(d) and 5.8(d)) shall be determined by the Managing Member. Special Members shall not be required to make additional GP-Related Capital Contributions to the Company except (i) as a condition of an increase in such Special Member's GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided , that the Managing Member and any Special Member may agree from time to time that such Special Member shall make an additional GP-Related Capital Contribution to the Company; provided further , that each Investor Special Member shall maintain its GP-Related Capital Account at a level equal to the product of (i) its GP-Related Profit Sharing Percentage from time to time and (ii) the total capital of the Company related to the GP-Related Member Interests.

(b) Each GP-Related Capital Contribution by a Member shall be credited to the appropriate GP-Related Capital Account of such Member in accordance with Section 5.2.

(c) The Managing Member may elect on a case by case basis to (i) cause the Company to loan any Member (including any additional Member admitted to the Company pursuant to Section 6.1

but excluding any Members that are also executive officers of The Blackstone Group L.P.) the amount of any GP-Related Capital Contribution required to be made by such Member or (ii) permit any Member (including any additional Member admitted to the Company pursuant to Section 6.1) to make a required GP-Related Capital Contribution to the Company in installments, in each case on terms determined by the Managing Member.

(d) (i) The Members and the Withdrawn Members have entered into the Trust Agreement, pursuant to which certain amounts of Carried Interest will be paid to the Trustee(s) for deposit in the Trust Account (such amounts to be paid to the Trustee(s) for deposit in the Trust Account constituting a " Holdback "). The Managing Member shall determine, as set forth below, the percentage of Carried Interest that shall be withheld for each Member Category (such withheld percentage constituting such Member Category's " Holdback Percentage "). The applicable Holdback Percentages initially shall be 0% for the Managing Member, 15% for Existing Members (other than the Managing Member), 21% for Retaining Withdrawn Members and 24% for Deceased Members (the " Initial Holdback Percentages ").

(ii) The Holdback Percentage may not be reduced for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may only reduce the Holdback Percentages among the Member Categories on a proportionate basis. For example, if the Holdback Percentage for Existing Members is decreased to 12.5%, the Holdback Percentage for Retaining Withdrawn Members and Deceased Members shall be reduced to 17.5% and 20%, respectively. Any reduction in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such reduction.

(iii) The Holdback Percentage may not be increased for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may not increase the Retaining Withdrawn Members' Holdback Percentage beyond 21% unless the Managing Member concurrently increases the Existing Members' Holdback Percentage to the Holdback Percentage of the Retaining Withdrawn Members. The Managing Member may not increase the Deceased Members' Holdback Percentage beyond 24% unless the Managing Member increases the Holdback Percentage for both Existing Members and Retaining Withdrawn Members to 24%. The Managing Member may not increase the Holdback Percentage of any Member Category beyond 24% unless such increase applies equally to all Member Categories. Any increase in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such increase. The foregoing shall in no way prevent the Managing Member from proportionately increasing the Holdback Percentage of any Member Category (following a reduction of the Holdback Percentages below the Initial Holdback Percentages), if the resulting Holdback Percentages are consistent with the above. For example, if the Managing Member reduces the Holdback Percentages for Existing Members, Retaining Withdrawn Members and Deceased Members to 12.5%, 17.5% and 20%, respectively, the Managing Member shall have the right to subsequently increase the Holdback Percentages to the Initial Holdback Percentages.

(iv) (A) Notwithstanding anything contained herein to the contrary, the Company may increase or decrease the Holdback Percentage for any Member in any Member Category (in such capacity, the " Subject Member ") pursuant to a majority vote of the Regular Members (a " Holdback Vote "); provided , that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to the Managing Member shall not be increased or decreased without its prior written consent; provided further , that a Subject Member's Holdback Percentage shall not be (I) increased prior to such time as such Subject Member (x) is notified by the Company of the decision to increase such Subject Member's Holdback Percentage and (y) has, if

requested by such Subject Member, been given 30 days to gather and provide information to the Company for consideration before a second Holdback Vote (requested by the Subject Member) or (II) decreased unless such decrease occurs subsequent to an increase in a Subject Member's Holdback Percentage pursuant to a Holdback Vote under this clause (iv); provided further , that such decrease shall not exceed an amount such that such Subject Member's Holdback Percentage is less than the prevailing Holdback Percentage for the Member Category of such Subject Member; provided further , that a Member shall not vote to increase a Subject Member's Holdback Percentage unless such voting Member determines, in his good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Member, or any of his successors or assigns (including his estate or heirs) who at the time of such vote holds the Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Company meeting. Each Regular Member shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Regular Member's interest in the Company. Such vote may be cast by any Regular Member in person or by proxy.

(C) If the result of the second Holdback Vote is an increase in a Subject Member's Holdback Percentage, such Subject Member may submit the decision to an arbitrator, the identity of which is mutually agreed upon by both the Subject Member and the Company; provided , that if the Company and the Subject Member cannot agree upon a mutually satisfactory arbitrator within 10 days of the second Holdback Vote, each of the Company and the Subject Member shall request their candidate for arbitrator to select a third arbitrator satisfactory to such candidates; provided further , that if such candidates fail to agree upon a mutually satisfactory arbitrator within 30 days of such request, the then sitting President of the American Arbitration Association shall unilaterally select the arbitrator. Each Subject Member that submits the decision of the Company pursuant to the second Holdback Vote to arbitration and the Company shall estimate their reasonably projected out-of-pocket expenses relating thereto, and each such party shall, to the satisfaction of the arbitrator and prior to any determination being made by the arbitrator, pay the total of such estimated expenses (i.e., both the Subject Member's and the Company's expenses) into an escrow account to be controlled by Simpson Thacher & Bartlett LLP, as escrow agent (or such other comparable law firm as the Company and the Subject Member shall agree). The arbitrator shall direct the escrow agent to pay out of such escrow account all expenses associated with such arbitration (including costs leading thereto) and to return to the "victorious" party the entire amount of funds such party paid into such escrow account. If the amount contributed to the escrow account by the losing party is insufficient to cover the expenses of such arbitration, such "losing" party shall then provide any additional funds necessary to cover such costs to such "victorious" party. For purposes hereof, the "victorious" party shall be the Company if the Holdback Percentage ultimately determined by the arbitrator is closer to the percentage determined in the second Holdback Vote than it is to the prevailing Holdback Percentage for the Subject Member's Member Category; otherwise, the Subject Member shall be the "victorious" party. The party that is not the "victorious" party shall be the "losing" party.

(D) In the event of a decrease in a Subject Member's Holdback Percentage (1) pursuant to a Holdback Vote under this clause (iv) or (2) pursuant to a decision of an arbitrator under paragraph (C) of this clause (iv), the Company shall release and distribute to such Subject Member any Trust Amounts (and the Trust Income thereon (except as expressly provided herein with respect to using Trust Income as Firm Collateral)) which exceed the required Holdback of such Subject Member (in accordance with such Subject Member's reduced Holdback Percentage) as though such reduced Holdback Percentage had applied since the increase of the Subject Member's Holdback Percentage pursuant to a previous Holdback Vote under this clause (iv).

(v) (A) If a Member's Holdback Percentage exceeds 15% (such percentage in excess of 15% constituting the " Excess Holdback Percentage "), such Member may satisfy the portion of his Holdback obligation in respect of his Excess Holdback Percentage (such portion constituting such Member's " Excess Holdback "), and such Member (or a Withdrawn Member with respect to amounts contributed to the Trust Account while he was a Member), to the extent his Excess Holdback obligation has previously been satisfied in cash, may obtain the release of the Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) satisfying such Member's or Withdrawn Member's Excess Holdback obligation, by pledging or otherwise making available to the Company, on a first priority basis (except as provided below), all or any portion of his Firm Collateral in satisfaction of his Excess Holdback obligation. Any Member seeking to satisfy all or any portion of the Excess Holdback utilizing Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Company to realize on (if required), such Firm Collateral; provided , that, in the case of entities listed in the Company's books and records in which Members are permitted to pledge their interests therein to finance all or a portion of their capital contributions thereto (" Pledgable Blackstone Interests "), to the extent a first priority security interest is unavailable because of an existing lien on such Firm Collateral, the Member or Withdrawn Member seeking to utilize such Firm Collateral shall grant the Company a second priority security interest therein in the manner provided above; provided further , that (x) in the case of Pledgable Blackstone Interests, to the extent that neither a first priority nor a second priority security interest is available, or (y) if the Managing Member otherwise determines in its good faith judgment that a security interest in Firm Collateral (and the corresponding documents and actions) are not necessary or appropriate, the Member or Withdrawn Member shall (in the case of either clause (x) or (y) above) irrevocably instruct in writing the relevant partnership, limited liability company or other entity listed in the Company's books and records to remit any and all net proceeds resulting from a Firm Collateral Realization on such Firm Collateral to the Trustee(s) as more fully provided in clause (B) below. The Company shall, at the request of any Member or Withdrawn Member, assist such Member or Withdrawn Member in taking such action necessary to enable such Member or Withdrawn Member to use Firm Collateral as provided hereunder.

(B) If upon a sale or other realization of all or any portion of any Firm Collateral (a " Firm Collateral Realization "), the remaining Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement, then up to 100% of the net proceeds

otherwise distributable to such Member or Withdrawn Member from such Firm Collateral Realization (including distributions subject to the repayment of financing sources as in the case of Pledgable Blackstone Interests) shall be paid into the Trust Account to fully satisfy such Excess Holdback requirement (allocated to such Member or Withdrawn Member) and shall be deemed to be Trust Amounts for purposes hereunder. Any net proceeds from such Firm Collateral Realization in excess of the amount necessary to satisfy such Excess Holdback requirement shall be distributed to such Member or Withdrawn Member.

(C) Upon any valuation or revaluation of Firm Collateral that results in a decreased valuation of such Firm Collateral so that such Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement (including upon a Firm Collateral Realization, if net proceeds therefrom and the remaining Firm Collateral are insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement), the Company shall provide notice of the foregoing to such Member or Withdrawn Member and such Member or Withdrawn Member shall, within 30 days of receiving such notice, contribute cash (or additional Firm Collateral) to the Trust Account in an amount necessary to satisfy his Excess Holdback requirement. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that clause (A) of the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to a default under this clause (C); provided further , that for purposes of applying Section 5.8(d)(ii) to a default under this clause (C): (I) the term "GP-Related Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net GP-Related Recontribution Amount" and "GP-Related Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(vi) Any Member or Withdrawn Member may (A) obtain the release of any Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) or Firm Collateral, in each case, held in the Trust Account for the benefit of such Member or Withdrawn Member or (B) require the Company to distribute all or any portion of amounts otherwise required to be placed in the Trust Account (whether cash or Firm Collateral), by obtaining a letter of credit (an " L/C ") for the benefit of the Trustee(s) in such amounts. Any Member or Withdrawn Member choosing to furnish an L/C to the Trustee(s) (in such capacity, an " L/C Member ") shall deliver to the Trustee(s) an unconditional and irrevocable L/C from a commercial bank whose (x) short-term deposits are rated at least A-1 by S&P and P-1 by Moody's (if the L/C is for a term of 1 year or less), or (y) long-term deposits are rated at least A+ by S&P or A1 by Moody's (if the L/C is for a term of 1 year or more) (each a " Required Rating "). If the relevant rating of the commercial bank issuing such L/C drops below the relevant Required Rating, the L/C Member shall supply to the Trustee(s), within 30 days of such occurrence, a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, in lieu of the insufficient L/C. In addition, if the L/C has a term expiring on a date earlier than the latest possible termination date of BREP VI, the Trustee(s) shall be permitted to drawdown on such L/C if the L/C Member fails to provide a new L/C from a commercial bank whose relevant rating is at least equal to the relevant

Required Rating, at least 30 days prior to the stated expiration date of such existing L/C. The Trustee(s) shall notify an L/C Member 10 days prior to drawing on any L/C. The Trustee(s) may (as directed by the Company in the case of clause (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Member's obligation relating to the Company's obligations under the Clawback Provisions or (II) an L/C Member has not provided a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating (or the requisite amount of cash and/or Firm Collateral (to the extent permitted hereunder)), at least 30 days prior to the stated expiration of an existing L/C in accordance with this clause (vi). The Trustee(s), as directed by the Company, shall return to any L/C Member his L/C upon (1) the termination of the Trust Account and satisfaction of the Company's obligations, if any, in respect of the Clawback Provisions, (2) an L/C Member satisfying his entire Holdback obligation in cash and Firm Collateral (to the extent permitted hereunder), or (3) the release, by the Trustee(s), as directed by the Company, of all amounts in the Trust Account to the Members or Withdrawn Members. If an L/C Member satisfies a portion of his Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the Company, release a portion of the amounts in the Trust Account to the Members or Withdrawn Members in the Member Category of such L/C Member, the L/C of an L/C Member may be reduced by an amount corresponding to such portion satisfied in cash and/or Firm Collateral (to the extent permitted hereunder) or such portion released by the Trustee(s), as directed by the Company; provided , that in no way shall the general release of any Trust Income cause an L/C Member to be permitted to reduce the amount of an L/C by any amount.

(vii) (A) Any in-kind distributions by the Company relating to Carried Interest shall be made in accordance herewith as though such distributions consisted of cash. The Company may direct the Trustee(s) to dispose of any in-kind distributions held in the Trust Account at any time. The net proceeds therefrom shall be treated as though initially contributed to the Trust Account.

(B) In lieu of the foregoing, any Existing Member may pledge with respect to any in-kind distribution the Special Firm Collateral referred to in asset category 5 on the Company's books and records; provided , that the initial contribution of such Special Firm Collateral shall initially equal 130% of the required Holdback Amount for a period of 90 days, and thereafter shall equal at least 115% of the required Holdback Amount. Paragraphs 4.1(d)(viii)(C) and (D) shall apply to such Special Firm Collateral. To the extent such Special Firm Collateral exceeds the applicable minimum percentage of the required Holdback Amount specified in the first sentence of this clause (vii)(B), the related Member may obtain a release of such excess amount from the Trust Account.

(viii) (A) Any Regular Member or Withdrawn Member may satisfy all or any portion of his Holdback (excluding any Excess Holdback), and such Member or a Withdrawn Member may, to the extent his Holdback (excluding any Excess Holdback) has been previously been satisfied in cash or by the use of an L/C as provided herein, obtain a release of Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) that satisfy such Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) by pledging to the Trustee(s) on a first priority basis all of his Special Firm Collateral in a particular Qualifying Fund, which at all times must equal or exceed the amount of the Holdback distributed to the Member or Withdrawn Member (as more fully set forth below). Any Member seeking to satisfy such Member's Holdback utilizing Special Firm Collateral shall sign such documents and otherwise take such other action as is necessary or

appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Trustee(s) to realize on (if required), such Special Firm Collateral.

(B) If upon a distribution, withdrawal, sale, liquidation or other realization of all or any portion of any Special Firm Collateral (a " Special Firm Collateral Realization "), the remaining Special Firm Collateral (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) is insufficient to cover any Member's or Withdrawn Member's Holdback (when taken together with other means of satisfying the Holdback as provided herein (i.e., cash contributed to the Trust Account or an L/C in the Trust Account)), then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Special Firm Collateral Realization (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund or other asset and is being used in connection with an Excess Holdback) shall be paid into the Trust (and allocated to such Member or Withdrawn Member) to fully satisfy such Holdback and shall be deemed thereafter to be Trust Amounts for purposes hereunder. Any net proceeds from such Special Firm Collateral Realization in excess of the amount necessary to satisfy such Holdback (excluding any Excess Holdback) shall be distributed to such Member or Withdrawn Member. To the extent a Qualifying Fund distributes Securities to a Member or Withdrawn Member in connection with a Special Firm Collateral Realization, such Member or Withdrawn Member shall be required to promptly fund such Member's or Withdrawn Member's deficiency with respect to his Holdback in cash or an L/C.

(C) Upon any valuation or revaluation of the Special Firm Collateral and/or any adjustment in the Applicable Collateral Percentage applicable to a Qualifying Fund (as provided in the Company's books and records), if such Member's or Withdrawn Member's Special Firm Collateral is valued at less than such Member's Holdback (excluding any Excess Holdback) as provided in the Company's books and records, taking into account other permitted means of satisfying the Holdback hereunder, the Company shall provide notice of the foregoing to such Member or Withdrawn Member and, within 10 business days of receiving such notice, such Member or Withdrawn Member shall contribute cash or additional Special Firm Collateral to the Trust Account in an amount necessary to make up such deficiency. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided , that the first sentence of Section 5.8(d)(ii) shall be deemed inapplicable to such default; provided further , that for purposes of applying Section 5.8(d)(ii) to a default under this clause (C): (I) the term "GP-Related Defaulting Party" where such term appears in such Section 5.8(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net GP-Related Recontribution Amount" and "GP-Related Recontribution Amount" where such terms appear in such Section 5.8(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(D) Upon a Member becoming a Withdrawn Member, at any time thereafter the Managing Member may revoke the ability of such Withdrawn Member to use Special Firm Collateral as set forth in this Section 4.1(d)(viii), notwithstanding anything else in this Section 4.1(d)(viii). In that case the provisions of clause (C) above shall apply to the Withdrawn Member's obligation to satisfy the Holdback (except that 30 days' notice of such revocation shall be given), given that the Special Firm Collateral is no longer available to satisfy any portion of the Holdback (excluding any Excess Holdback).

(E) Nothing in this Section 4.1(d)(viii) shall prevent any Member or Withdrawn Member from using any amount of such Member's interest in a Qualifying Fund as Firm Collateral; provided that at all times Section 4.1(d)(v) and this Section 4.1(d)(viii) are each satisfied.

4.2. Interest . Interest on the balances of the Members' capital related to the Members' GP-Related Member Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the Managing Member, capital invested in any other investment of the Company) shall be credited to the Members' GP-Related Capital Accounts at the end of each accounting period pursuant to Section 5.2, or at any other time as determined by the Managing Member, at rates determined by the Managing Member from time to time, and shall be charged as an expense of the Company.

4.3. Withdrawals of Capital . No Member may withdraw capital related to such Member's GP-Related Member Interest from the Company except (i) for distributions of cash or other property pursuant to Section 5.8, (ii) as otherwise expressly provided in this Agreement or (iii) as determined by the Managing Member.

ARTICLE V

PARTICIPATION IN PROFITS AND LOSSES

5.1. General Accounting Matters . (a) GP-Related Net Income (Loss) shall be determined by the Managing Member at the end of each accounting period and shall be allocated as described in Section 5.4.

(b) " GP-Related Net Income (Loss) " from any activity of the Company related to the Company's GP-Related BREMA VI Partner Interest for any accounting period means (i) the gross income realized by the Company from such activity during such accounting period less (ii) all expenses of the Company, and all other items that are deductible from gross income, for such accounting period that are allocable to such activity (determined as provided below).

" GP-Related Net Income (Loss) " from any GP-Related Investment for any accounting period in which such GP-Related Investment has not been sold or otherwise disposed of means (i) the gross amount of dividends, interest or other income received by the Company from such GP-Related Investment during such accounting period less (ii) all expenses of the Company for such accounting period that are allocable to such GP-Related Investment (determined as provided below).

" GP-Related Net Income (Loss) " from any GP-Related Investment for the accounting period in which such GP-Related Investment is sold or otherwise disposed of means (i) the sum of the gross proceeds from the sale or other disposition of such GP-Related Investment and the gross amount of dividends, interest or other income received by the Company from such GP-Related Investment during such accounting period less (ii) the sum of the cost or other basis to the Company of such GP-Related Investment and all expenses of the Company for such accounting period that are allocable to such GP-Related Investment.

GP-Related Net Income (Loss) shall be determined in accordance with the accounting method used by the Company for U.S. federal income tax purposes with the following adjustments: (i) any income of the Company that is exempt from U.S. federal income taxation and not otherwise taken into account in computing GP-Related Net Income (Loss) shall be added to such taxable income or loss; (ii) if any asset has a value on the books of the Company that differs from its adjusted tax basis for U.S. federal income tax purposes, any depreciation, amortization or gain resulting from a disposition of such asset shall be calculated with reference to such value; (iii) upon an adjustment to the value of any asset on the books of the Company pursuant to Regulation Section 1.704-1(b)(2), the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (iv) any expenditures of the Company not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing GP-Related Net Income (Loss) pursuant to this definition shall be treated as deductible items; (v) any income from a GP-Related Investment that is payable to Company employees in respect of "phantom interests" in such GP-Related Investment awarded by the Managing Member to employees shall be included as an expense in the calculation of GP-Related Net Income (Loss) from such GP-Related Investment, and (vi) items of income and expense (including interest income and overhead and other indirect expenses) of the Company, Holdings and other affiliates of the Company shall be allocated among the Company, Holdings and such affiliates, among various Company activities and GP-Related Investments and between accounting periods, in each case as determined by the Managing Member. Any adjustments to GP-Related Net Income (Loss) by the Managing Member, including adjustments for items of income accrued but not yet received, unrealized gains, items of expense accrued but not yet paid, unrealized losses, reserves (including reserves for taxes, bad debts, actual or threatened litigation, or any other expenses, contingencies or obligations) and other appropriate items shall be made in accordance with U.S. generally accepted accounting principles (" GAAP "); provided , that the Managing Member shall not be required to make any such adjustment.

(c) An accounting period shall be a Fiscal Year, except that, at the option of the Managing Member, an accounting period will terminate and a new accounting period will begin on the admission date of an additional Member or the Settlement Date of a Withdrawn Member, if any such date is not the first day of a Fiscal Year. If any event referred to in the preceding sentence occurs and the Managing Member does not elect to terminate an accounting period and begin a new accounting period, then the Managing Member may make such adjustments as it deems appropriate to the Members' GP-Related Profit Sharing Percentages for the accounting period in which such event occurs (prior to any allocations of GP-Related Unallocated Percentages or adjustments to GP-Related Profit Sharing Percentages pursuant to Section 5.3) to reflect the Members' average GP-Related Profit Sharing Percentages during such accounting period; provided , that the GP-Related Profit Sharing Percentages of Members in GP-Related Net Income (Loss) from GP-Related Investments acquired during such accounting period will be based on GP-Related Profit Sharing Percentages in effect when each such GP-Related Investment was acquired.

(d) In establishing GP-Related Profit Sharing Percentages and allocating GP-Related Unallocated Percentages pursuant to Section 5.3, the Managing Member may consider such factors as it deems appropriate.

(e) All determinations, valuations and other matters of judgment required to be made for accounting purposes under this Agreement shall be made by the Managing Member and approved by the Company's independent accountants. Such approved determinations, valuations and other accounting matters shall be conclusive and binding on all Members, all Withdrawn Members, their successors, heirs, estates or legal representatives and any other person, and to the fullest extent permitted by law no such person shall have the right to an accounting or an appraisal of the assets of the Company or any successor thereto.

5.2. GP-Related Capital Accounts; Tax Capital Accounts . (a) There shall be established for each Member on the books of the Company, to the extent and at such times as may be appropriate, one or more GP-Related Capital Accounts as the Managing Member may deem to be appropriate for purposes of accounting for such Member's interests in the capital of the Company related to the Company's GP-Related BREMA VI Partner Interest and the GP-Related Net Income (Loss) of the Company.

(b) As of the end of each accounting period or, in the case of a contribution to the Company by one or more of the Members or a distribution by the Company to one or more of the Members, at the time of such contribution or distribution, (i) the appropriate GP-Related Capital Accounts of each Member shall be credited with the following amounts: (A) the amount of cash and the value of any property contributed by such Member to the capital of the Company related to such Member's GP-Related Member Interest during such accounting period, (B) the GP-Related Net Income allocated to such Member for such accounting period and (C) the interest credited on the balance of such Member's capital related to such Member's GP-Related Member Interest for such accounting period pursuant to Section 4.3; and (ii) the appropriate GP-Related Capital Accounts of each Member shall be debited with the following amounts: (x) the amount of cash, the principal amount of any subordinated promissory note of the Company referred to in Section 6.5(k) (as such amount is paid) and the value of any property distributed to such Member during such accounting period with respect to such Member's GP-Related Member Interest and (y) the GP-Related Net Loss allocated to such Member for such accounting period.

5.3. GP-Related Profit Sharing Percentages . (a) Prior to the beginning of each annual accounting period, the Managing Member shall establish the profit sharing percentage (the " GP-Related Profit Sharing Percentage ") of each Member in each category of GP-Related Net Income (Loss) for such annual accounting period pursuant to Section 5.1(a) taking into account such factors as the Managing Member deems appropriate, including those referred to in Section 5.1(d); provided , that (i) the Managing Member may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Company during such accounting period at the time such GP-Related Investment is acquired in accordance with paragraph (d) below and (ii) GP-Related Net Income (Loss) for such accounting period from any GP-Related Investment shall be allocated in accordance with the GP-Related Profit Sharing Percentages in such GP-Related Investment established in accordance with paragraph (d) below. The Managing Member may establish different GP-Related Profit Sharing Percentages for any Member in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Member, such former Member's GP-Related Profit Sharing Percentages shall be allocated by the Managing Member to one or more of the remaining Members. In the case of the admission of any Member to the Company as an additional Member, the GP-Related Profit Sharing Percentages of the other Members shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Member pursuant to Section 6.1(b); such reduction of each other Member's GP-Related Profit Sharing Percentage shall be pro rata based upon such Member's GP-Related Profit Sharing Percentage as in effect immediately prior to the admission of the new Member. Notwithstanding the foregoing, the Managing Member may also adjust the GP-Related Profit Sharing Percentage of any Member for any annual accounting period at the end of such annual accounting period in its sole discretion.

(b) The Managing Member may elect to allocate to the Members less than 100% of the GP-Related Profit Sharing Percentages of any category for any annual accounting period at the time specified in Section 5.3(a) for the annual fixing of GP-Related Profit Sharing Percentages (any remainder of such GP-Related Profit Sharing Percentages being called an " GP-Related Unallocated Percentage "); provided , that any GP-Related Unallocated Percentage in any category of GP-Related Net Income (Loss) for any annual accounting period that is not allocated by the Managing Member within 90 days after the end of such accounting period shall be deemed to be allocated among all Members (including the Managing Member) in the manner determined by the Managing Member in its sole discretion.

(c) Unless otherwise determined by the Managing Member in a particular case, (i) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Members' respective GP-Related Capital Contributions in respect of such GP-Related Investment and (ii) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from each GP-Related Investment shall be fixed at the time such GP-Related Investment is acquired and shall not thereafter change, subject to any repurchase rights established by the Managing Member pursuant to Section 5.7.

5.4. Allocations of GP-Related Net Income (Loss) . (a) Except as provided in Sections 5.4(d) and 5.4(e), GP-Related Net Income of the Company for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Members participating in such GP-Related Investment (including the Managing Member): first, in proportion to and to the extent of the amount of Non-Carried Interest (other than amounts representing a return of GP-Related Capital Contributions) or Carried Interest distributed to the Members; second, to Members that received Non-Carried Interest (other than amounts representing a return of GP-Related Capital Contributions) or Carried Interest in years prior to the years such GP-Related Net Income is being allocated to the extent such Non-Carried Interest (other than amounts representing a return of GP-Related Capital Contributions) or Carried Interest exceeded GP-Related Net Income allocated to such Members in such earlier years; and third, to the Members in the same manner that such Non-Carried Interest (other than amounts representing a return of GP-Related Capital Contributions) or Carried Interest would have been distributed if cash were available to distribute with respect thereto.

(b) GP-Related Net Loss of the Company shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by BREP VI and allocated to the Company with respect to its pro rata share thereof (based on capital contributions made by the Company indirectly to BREP VI with respect to the Company's GP-Related BREMA VI Partner Interest) shall be allocated to the Members in accordance with each Member's Non-Carried Interest Sharing Percentage (subject to adjustment pursuant to Section 5.8(e)) with respect to the GP-Related Investment giving rise to such loss suffered by BREP VI and (ii) GP-Related Net Loss relating to realized losses suffered by BREP VI and allocated indirectly to the Company with respect to the Carried Interest shall be allocated in accordance with a Member's (including Withdrawn Member's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)).

(c) Notwithstanding Section 5.4(a) above, GP-Related Net Income relating to Carried Interest allocated after the allocation of a GP-Related Net Loss pursuant to clause (ii) of Section 5.4(b) shall be allocated in accordance with such Carried Interest Give Back Percentages until such time as the Members have been allocated GP-Related Net Income relating to Carried Interest equal to the aggregate amount of GP-Related Net Loss previously allocated in accordance with clause (ii) of Section 5.4(b). Withdrawn Members shall remain Members for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(d) To the extent the Company has any GP-Related Net Income (Loss) for any accounting period unrelated to BREP VI, such GP-Related Net Income (Loss) will be allocated in accordance with GP-Related Profit Sharing Percentages prevailing at the beginning of such accounting period, except as provided in Section 5.4(e).

(e) The Managing Member may authorize from time to time advances to Members against their allocable shares of GP-Related Net Income (Loss).

5.5. Liability of Members . Except as otherwise provided in the LLC Act or as expressly provided in this Agreement, no Member shall be personally obligated for any debt, obligation or liability of the Company or of any other Member solely by reason of being a Member. In no event shall any Member or Withdrawn Member (i) be obligated to make any capital contribution or payment to or on behalf of the Company or (ii) have any liability to return distributions received by such Member from the Company, in each case except as specifically provided in Sections 4.1(d) or 5.8 or otherwise in this Agreement, as such Member shall otherwise expressly agree in writing or as may be required by applicable law.

5.6. [Intentionally Omitted].

5.7. Repurchase Rights, etc . The Managing Member may from time to time establish such repurchase rights and/or other requirements with respect to the Members' GP-Related Member Interests relating to GP-Related BREP VI Investments as the Managing Member may determine. The Managing Member shall have authority to (a) withhold any distribution otherwise payable to any Member until any such repurchase rights have lapsed or any such requirements have been satisfied, (b) pay any distribution to any Member that is Contingent as of the distribution date and require the refund of any portion of such distribution that is Contingent as of the Withdrawal Date of such Member, (c) amend any previously established repurchase rights or other requirements from time to time and (d) make such exceptions thereto as it may determine on a case by case basis.

5.8. Distributions . (a) The Company shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Members at such times and in such amounts as are determined by the Managing Member. The Managing Member shall, if it deems it appropriate, determine the availability for distribution of, and distribute, cash or other property separately for each category of GP-Related Net Income (Loss) established pursuant to Section 5.1(a). Distributions of cash or other property with respect to Non-Carried Interest shall be made among the Members in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Sections 4.1(d) and 5.8(e), distributions of cash or other property with respect to Carried Interest shall be made among Members in accordance with their respective Carried Interest Sharing Percentages. At any time that a sale, exchange, transfer or other disposition by BREP VI of a portion of a GP-Related Investment is being considered by the Company (a " GP-Related Disposable Investment "), at the election of the Managing Member each Member's GP-Related Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Member Interests, a GP-Related Interest attributable to the GP-Related Disposable Investment (a Member's " GP-Related Class B Interest "), and a GP-Related Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Member's " GP-Related Class A Interest "). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BREP VI) relating to a GP-Related Disposable Investment (with respect to both Carried Interest and Non-Carried

Interest) shall be made only to holders of GP-Related Class B Interests with respect to such GP-Related Investment in accordance with their GP-Related Profit Sharing Percentages relating to such GP-Related Class B Interests, and distributions (including those resulting from the sale, transfer, exchange or other disposition by BREP VI) relating to a GP-Related Investment excluding such GP-Related Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of GP-Related Class A Interests with respect to such Investment in accordance with their respective GP-Related Profit Sharing Percentages relating to such GP-Related Class A Interests. Except as provided above, distributions of cash or other property with respect to each category of GP-Related Net Income (Loss) shall be allocated among the Members in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(b) Subject to the Company's having sufficient available cash in the reasonable judgment of the Managing Member, the Company shall make cash distributions to each Member with respect to each Fiscal Year of the Company in an aggregate amount at least equal to the total Federal, New York State and New York City income and other taxes that would be payable by such Member with respect to all categories of GP-Related Net Income (Loss) allocated to such Member for such Fiscal Year, the amount of which shall be calculated (i) on the assumption that each Member is an individual subject to the then prevailing maximum Federal, New York State and New York City income tax rates, (ii) taking into account the deductibility of state and local income and other taxes for Federal income tax purposes and (iii) taking into account any differential in applicable rates due to the type and character of Net Income (Loss) allocated to such Member. Notwithstanding the provisions of the foregoing sentence, the Managing Member may refrain from making any distribution if, in the reasonable judgment of the Managing Member, such distribution is prohibited by § 18-607 of the LLC Act.

(c) The Managing Member may provide that the GP-Related Member Interest of any Member or employee (including such Member's or employee's right to distributions and investments of the Company related thereto) may be subject to repurchase by the Company during such period as the Managing Member shall determine (a " Repurchase Period "). Any Contingent distributions from GP-Related Investments subject to repurchase rights will be withheld by the Company and will be distributed to the recipient thereof (together with interest thereon at rates determined by the Managing Member from time to time) as the recipient's rights to such distributions become Non-Contingent (by virtue of the expiration of the applicable Repurchase Period or otherwise). The Managing Member may elect in an individual case to have the Company distribute any Contingent distribution to the applicable recipient thereof irrespective of whether the applicable Repurchase Period has lapsed. If a Member Withdraws from the Company for any reason other than his death, Total Disability or Incompetence, the undistributed share of any GP-Related Investment that remains Contingent as of the applicable Withdrawal Date shall be repurchased by the Company at a purchase price determined at such time by the Managing Member. Unless determined otherwise by the Managing Member, the repurchased portion thereof will be allocated among the remaining Members with interests in such GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Member has a percentage interest in such specific GP-Related Investment, to the Managing Member; provided , that the Managing Member may allocate the Withdrawn Member's share of unrealized investment income from a repurchased GP-Related Investment attributable to the period after the Withdrawn Member's Withdrawal Date on any basis it may determine, including to existing or new Members who did not previously have interests in such GP-Related Investment, except that, in any event, each Investor Special Member shall be allocated a share of such unrealized investment income equal to its respective GP-Related Profit Sharing Percentage of such unrealized investment income.

(d) (i) (A) If BREA VI is obligated under the Clawback Provisions or Giveback Provisions to contribute a Clawback Amount or Giveback Amount to BREP VI, and the Company is obligated to make a capital contribution (directly or indirectly) of all or a portion of such Clawback Amount or Giveback Amount (the amount of such obligation of the Company with respect to such a Giveback Amount being herein called a " GP-Related Giveback Amount "), the Company shall call for such amounts as are necessary to satisfy such obligations as determined by the Managing Member, in which case each Member and Withdrawn Member shall contribute to the Company, in cash, when and as called by the Company, such an amount of prior distributions by the Company (and the Other Fund GPs)

with respect to Carried Interest (and/or Non-Carried Interest in the case of GP-Related Giveback Amounts) (the " GP-Related Recontribution Amount ") which equals (I) the product of (a) a Member's or Withdrawn Member's Carried Interest Give Back Percentage and (b) the aggregate Clawback Amount payable by the Company in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Member's pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related BREP VI Investment giving rise to the GP-Related Giveback Amount, (b) if the amounts contributed pursuant to clause (II)(a) above are insufficient to satisfy such GP-Related Giveback Amount, GP-Related BREP VI Investments other than the one giving rise to such obligation, but only those amounts received by the Members with an interest in the GP-Related BREP VI Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related BREP VI Investment, all GP-Related BREP VI Investments. Each Member and Withdrawn Member shall promptly contribute to the Company, along with satisfying his comparable obligations to the Other Fund GPs, if any, upon such call such Member's or Withdrawn Member's GP-Related Recontribution Amount, less the amount paid out of the Trust Account on behalf of such Member or Withdrawn Member by the Trustee(s) pursuant to written instructions from the Company, or if applicable, any of the Other Fund GPs with respect to Carried Interest (and/or Non-Carried Interest in the case of GP-Related Giveback Amounts) (the " Net GP-Related Recontribution Amount "), irrespective of the fact that the amounts in the Trust Account may be sufficient on an aggregate basis to satisfy the Company's and the Other Fund GPs' obligation under the Clawback Provisions and/or Giveback Provisions; provided , that to the extent a Member's or Withdrawn Member's share of the amount paid with respect to the Clawback Amount or the GP-Related Giveback Amount exceeds his GP-Related Recontribution Amount, such excess shall be repaid to such Member or Withdrawn Member as promptly as reasonably practicable, subject to clause (ii) below; provided further , that such written instructions from the Company shall specify each Member's and Withdrawn Member's GP-Related Recontribution Amount. Prior to such time, the Company may, in its discretion (but shall be under no obligation to), provide notice that in the Company's judgment, the potential obligations in respect of the Clawback Provisions or the Giveback Provisions will probably materialize (and an estimate of the aggregate amount of such obligations); provided further , that any amount from a Member's Trust Account used to pay any GP-Related Giveback Amount (or such lesser amount as may be required by the Managing Member) shall be contributed by such Member to such Member's Trust Account no later than 30 days after the Net GP-Related Recontribution Amount is paid with respect to such GP-Related Giveback Amount.

(B) To the extent any Member or Withdrawn Member has satisfied any Holdback obligation with Firm Collateral, such Member or Withdrawn Member shall, within 10 days of the Company's call for GP-Related Recontribution Amounts, make a cash payment into the Trust Account in an amount equal to the amount of the Holdback obligation satisfied with such Firm Collateral, or such lesser amount such that the amount in the Trust Account allocable to such Member or Withdrawn Member equals the sum of (I) such Member's or Withdrawn Member's GP-Related Recontribution Amount and (II) any similar amounts payable to any of the Other Fund GPs. Immediately upon receipt of such cash, the Trustee(s) shall take such steps as are necessary to release such Firm Collateral of such Member or Withdrawn Member equal to the amount of such cash payment. If the amount of such cash payment is less than the amount of Firm Collateral of such Member or Withdrawn Member, the balance of such Firm Collateral if any, shall be retained to secure the payment of GP-Related Deficiency Contributions, if any, and shall be fully released upon the satisfaction of the Company's and the Other Fund GPs' obligation to pay the Clawback Amount. The failure of any

Member or Withdrawn Member to make a cash payment in accordance with this clause (B) (to the extent applicable) shall constitute a default under Section 5.8(d)(ii) as if such cash payment hereunder constitutes a Net GP-Related Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Member or Withdrawn Member (a " GP-Related Defaulting Party ") fails to recontribute all or any portion of such GP-Related Defaulting Party's Net GP-Related Recontribution Amount for any reason, the Company shall require all other Members and Withdrawn Members to contribute, on a pro rata basis (based on each of their respective Carried Interest Give Back Percentages in the case of Clawback Amounts, and GP-Related Profit Sharing Percentages in the case of GP-Related Giveback Amounts (as more fully described in clause (II) of Section 5.8(d)(i)(A) above)), such amounts as are necessary to fulfill the GP-Related Defaulting Party's obligation to pay such GP-Related Defaulting Party's Net GP-Related Recontribution Amount (a " GP-Related Deficiency Contribution ") if the Managing Member determines in its good faith judgment that the Company will be unable to collect such amount in cash from such GP-Related Defaulting Party for payment of the Clawback Amount or GP-Related Giveback Amount, as the case may be, at least 20 Business Days prior to the latest date that the Company, and the Other Fund GPs, if applicable, are permitted to pay the Clawback Amount or GP-Related Giveback Amount, as the case may be; provided , that, subject to Section 5.8(e), no Member or Withdrawn Member shall as a result of such GP-Related Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of the Net GP-Related Recontribution Amount initially requested from such Member or Withdrawn Member in respect of such default. Thereafter, the Managing Member shall determine in its good faith judgment that the Company should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the Managing Member or (2) pursue any and all remedies (at law or equity) available to the Company against the GP-Related Defaulting Party, the cost of which shall be a Company expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Company shall have the right (effective upon such GP-Related Defaulting Party becoming a GP-Related Defaulting Party) to set-off as appropriate and apply against such GP-Related Defaulting Party's Net GP-Related Recontribution Amount any amounts otherwise payable to the GP-Related Defaulting Party by the Company or any affiliate thereof (including amounts unrelated to Carried Interest, such as returns of capital and profit thereon). Each Member and Withdrawn Member hereby grants to the Company a security interest, effective upon such Member or Withdrawn Member becoming a GP-Related Defaulting Party, in all accounts receivable and other rights to receive payment from any affiliate of the Company and agrees that, upon the effectiveness of such security interest, the Company may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member and Withdrawn Member hereby appoints the Company as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Member or Withdrawn Member or in the name of the Company, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Company shall be entitled to collect interest on the Net GP-Related Recontribution Amount of a GP-Related Defaulting Party from the date such GP-Related Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(B) Any Member's or Withdrawn Member's failure to make a GP-Related Deficiency Contribution shall cause such Member or Withdrawn Member to be a GP-Related Defaulting Party with respect to such amount. The Company shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Member or Withdrawn

Member to satisfy such Member's or Withdrawn Member's obligation to make a GP-Related Deficiency Contribution before seeking cash contributions from such Member or Withdrawn Member in satisfaction of such Member's or Withdrawn Member's obligation to make a GP-Related Deficiency Contribution.

(iii) A Member's or Withdrawn Member's obligation to make contributions to the Company under this Section 5.8(d) shall survive the termination of the Company.

(e) The Members acknowledge that the Managing Member will (and are hereby authorized to) take such steps as it deems appropriate, in its good faith, to further the objective of providing for the fair and equitable treatment of all Members, including by allocating Writedowns and Losses (as defined in the BREP VI Partnership Agreement) on GP-Related BREP VI Investments that have been the subject of a Writedown and/or Losses (each, a " Loss Investment ") to those Members who participated in such Loss Investments based on their Carried Interest Sharing Percentage therein to the extent that such Members receive or have received Carried Interest distributions from other GP-Related BREP VI Investments. Consequently and notwithstanding anything herein to the contrary, adjustments to Carried Interest distributions shall be made as set forth in this Section 5.8(e).

(i) At the time the Company is making Carried Interest distributions in connection with a GP-Related BREP VI Investment (the " Subject Investment ") that have been reduced under the BREP VI Partnership Agreement as a result of one or more Loss Investments, the Managing Member shall calculate amounts distributable to or due from each such Member as follows:

(A) determine each Member's share of each such Loss Investment based on his Carried Interest Sharing Percentage in each such Loss Investment (which may be zero) to the extent such Loss Investment has reduced the Carried Interest distributions otherwise available for distribution to all Members (indirectly through the Company from BREP VI) from the Subject Investment (such reduction, the " Loss Amount ");

(B) determine the amount of Carried Interest distributions otherwise distributable to such Member with respect to the Subject Investment (indirectly through the Company from BREP VI) before any reduction in respect of the amount determined in clause (A) above (the " Unadjusted Carried Interest Distributions "); and

(C) subtract (I) the Loss Amounts relating to all Loss Investments from (II) the Unadjusted Carried Interest Distributions for such Member, to determine the amount of Carried Interest distributions to actually be paid to such Member (" Net Carried Interest Distribution ").

To the extent that the Net Carried Interest Distribution for a Member as calculated in this clause (i) is a negative number, the Managing Member shall (I) notify such Member, at or prior to the time such Carried Interest distributions are actually made to the Members, of his obligation to recontribute to the Company prior Carried Interest distributions (a " Net Carried Interest Distribution Recontribution Amount "), up to the amount of such negative Net Carried Interest Distribution, and (II) to the extent amounts recontributed pursuant to clause (I) are insufficient to satisfy such negative Net Carried Interest Distribution amount, reduce future Carried Interest distributions otherwise due such Member, up to the amount of such remaining negative Net Carried Interest Distribution. If a Member's (x) Net Carried Interest Distribution Recontribution

Amount exceeds (y) the aggregate amount of prior Carried Interest distributions less the amount of tax thereon, calculated based on the Assumed Tax Rate (as defined in the BREP VI Partnership Agreement) in effect in the Fiscal Years of such distributions (the " Excess Tax-Related Amount "), then such Member may, in lieu of paying such Member's Excess Tax-Related Amount, defer such amounts as set forth below. Such deferred amount shall accrue interest at the Prime Rate. Such deferred amounts shall be reduced and repaid by the amount of Carried Interest otherwise distributable to such Member in connection with future Carried Interest distributions until such balance is reduced to zero. Any deferred amounts shall be payable in full upon the earlier of (i) such time as the Clawback is determined (as provided herein) and (ii) such time as the Member becomes a Withdrawn Member.

To the extent there is an amount of negative Net Carried Interest Distribution with respect to a Member remaining after the application of this clause (i), notwithstanding clause (II) of the preceding paragraph, such remaining amount of negative Net Carried Interest Distribution shall be allocated to the other Members pro rata based on each of their Carried Interest Sharing Percentages in the Subject Investment.

A Member who fails to pay a Net Carried Interest Distribution Recontribution Amount promptly upon notice from the Managing Member (as provided above) shall be deemed a GP-Related Defaulting Party for all purposes hereof.

A Member may satisfy in part any Net Carried Interest Distribution Recontribution Amount from cash that is then subject to a Holdback, to the extent that the amounts that remain subject to a Holdback satisfy the Holdback requirements hereof as they relate to the reduced amount of aggregate Carried Interest distributions received by such Member (taking into account any Net Carried Interest Distribution Recontribution Amount contributed to the Company by such Member).

Any Net Carried Interest Distribution Recontribution Amount contributed by a Member, including amounts of cash subject to a Holdback as provided above, shall increase the amount available for distribution to the other Members as Carried Interest distributions with respect to the Subject Investment; provided , that any such amounts then subject to a Holdback may be so distributed to the other Members to the extent a Member receiving such distribution has satisfied the Holdback requirements with respect to such distribution (taken together with the other Carried Interest distributions received by such Member to date).

(ii) In the case of Clawback Amounts which are required to be contributed to the Company as otherwise provided herein, the obligation of the Members with respect to any Clawback Amount shall be adjusted by the Managing Member as follows:

(A) determine each Member's share of any Losses in any GP-Related BREP VI Investments which gave rise to the Clawback Amount (i.e. , the Losses that followed the last GP-Related BREP VI Investment with respect to which Carried Interest distributions were made), based on such Member's Carried Interest Sharing Percentage in such GP-Related BREP VI Investments;

(B) determine each Member's obligation with respect to the Clawback Amount based on such Member's Carried Interest Give Back Percentage as otherwise provided herein; and

(C) subtract the amount determined in clause (B) above from the amount determined in clause (A) above with respect to each Member to determine the amount of adjustment to each Member's share of the Clawback Amount (a Member's "Clawback Adjustment Amount").

A Member's share of the Clawback Amount shall for all purposes hereof be decreased by such Member's Clawback Adjustment Amount, to the extent it is a negative number (except to the extent expressly provided below). A Member's share of the Clawback Amount shall for all purposes hereof be increased by such Member's Clawback Adjustment Amount (to the extent it is a positive number); provided, that in no way shall a Member's aggregate obligation to satisfy a Clawback Amount as a result of this clause (ii) exceed the aggregate Carried Interest distributions received by such Member. To the extent a positive Clawback Adjustment Amount remains after the application of this clause (ii) with respect to a Member, such remaining Clawback Adjustment Amount shall be allocated to the Members (including any Member whose Clawback Amount was increased pursuant to this clause (ii)) pro rata based on their Carried Interest Give Back Percentages (determined without regard to this clause (ii)).

Any distribution or contribution adjustments pursuant to this Section 5.8(e) by the Managing Member shall be based on its good faith judgment, and no Member shall have any claim against the Company, the Managing Member or any other Members as a result of any adjustment made as set forth above. This Section 5.8(e) applies to all Members, including Withdrawn Members.

It is agreed and acknowledged that this Section 5.8(e) is an agreement among the Members and in no way modifies the obligations of each Member regarding the Clawback as provided in the BREP VI Partnership Agreement.

5.9. Business Expenses. The Company shall reimburse the Members for reasonable travel, entertainment and miscellaneous expenses incurred by them in the conduct of the Company's business in accordance with rules and regulations established by the Managing Member from time to time.

5.10. Tax Capital Accounts; Tax Allocations. (a) For U.S. federal income tax purposes, there shall be established for each Member a single capital account combining such Member's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the Managing Member determines is appropriate so that such single capital account is maintained in compliance with the principles and requirements of Section 704(b) of the Code and the Regulations thereunder.

(b) For federal, state and local income tax purposes only, Company income, gain, loss, deduction or expense (or any item thereof) for each fiscal year shall be allocated to and among the Members in a manner corresponding to the manner in which corresponding items are allocated among the Members pursuant to clause (a) above, provided the Managing Member may in its sole discretion make such allocations for tax purposes as it determines is appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Members, within the meaning of the Code and the Regulations.

ARTICLE VI

ADDITIONAL MEMBERS; WITHDRAWAL OF MEMBERS;
SATISFACTION AND DISCHARGE OF
COMPANY INTERESTS; TERMINATION

6.1. Additional Members . (a) Effective on the first day of any month (or on such other date as shall be determined by the Managing Member in its sole discretion), the Managing Member shall have the right to admit one or more additional persons into the Company as Regular Members or Special Members. Each such person shall make the representations with respect to itself set forth in Section 3.6. The Managing Member shall determine and negotiate with the additional Member all terms of such additional Member's participation in the Company, including the additional Member's initial GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment Profit Sharing Percentage. Each additional Member shall have such voting rights as may be determined by the Managing Member from time to time unless, upon the admission to the Company of any Special Member, the Managing Member shall designate that such Special Member shall not have such voting rights (any such Special Member being called a " Nonvoting Special Member "). Any additional Member shall, as a condition to becoming a Member, agree to become a party to, and be bound by the terms and conditions of, the Trust Agreement.

(b) The GP-Related Profit Sharing Percentages to be allocated to an additional Member as of the date such Member is admitted to the Company, together with the pro rata reduction in all other Members' GP-Related Profit Sharing Percentages as of such date, shall be established by the Managing Member pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages to be allocated to an additional Partner as of the date such Partner is admitted to the Partnership, together with the *pro rata* reduction in all other Partners' Capital Commitment Profit Sharing Percentages as of such date, shall be established by the General Partner.

(c) An additional Member shall be required to contribute to the Company his pro rata share of the Company's total capital, excluding capital in respect of GP-Related Investments and Capital Commitment Investments in which such Member does not acquire any interests, at such times and in such amounts as shall be determined by the Managing Member in accordance with Sections 4.1 and 7.1.

(d) The admission of an additional Member will be evidenced by (i) the execution of a counterpart copy of this Agreement by such additional Member or (ii) the execution of an amendment to this Agreement by all the Members (including the additional Member), as determined by the Managing Member. In addition, each additional Member shall sign a counterpart copy of the Trust Agreement or any other writing evidencing the intent of such person to become a party to the Trust Agreement that is accepted by the Managing Member on behalf of the Company.

6.2. Withdrawal of Members . (a) Any Member may Withdraw voluntarily from the Company on the last day of any calendar month (or on such other date as shall be determined by the Managing Member in its sole discretion), on not less than 15 days' prior written notice by such Member to the Managing Member (or on such shorter notice period as may be mutually agreed upon between such Member and the Managing Member); provided , that a Member may not voluntarily Withdraw without the consent of the Managing Member if such Withdrawal would (i) cause the Company to be in default under any of its contractual obligations or (ii) in the reasonable judgment of the Managing Member, have a material adverse effect on the Company or its business; provided further , that a Partner may Withdraw from the Company with respect to such Partner's GP-Related Member Interest without Withdrawing from the Company with respect to such Member's Capital Commitment Member Interest, and a Member may Withdraw from the Company with respect to such Member's Capital Commitment Member Interest without Withdrawing from the Company with respect to such Member's GP-Related Member Interest.

(b) Upon the Withdrawal of any Member, including by the occurrence of any withdrawal event under the LLC Act with respect to any Member, such Member shall thereupon cease to be a Member, except as expressly provided herein.

(c) Upon the Total Disability of a Regular Member, such Member shall thereupon cease to be a Regular Member with respect to such person's GP-Related Member Interest; provided , that the Managing Member may elect to admit such Withdrawn Member to the Company as a Nonvoting Special Member with respect to such person's GP-Related Member Interest, with such GP-Related Member Interest as the Managing Member may determine. The determination of whether any Member has suffered a Total Disability shall be made by the Managing Member in its sole discretion after consultation with a qualified medical doctor. In the absence of agreement between the Managing Member and such Member, each party shall nominate a qualified medical doctor and the two doctors shall select a third doctor, who shall make the determination as to Total Disability.

(d) If the Managing Member determines or with a Majority in Interest of the Members that it shall be in the best interests of the Company for any Member (including any Member who has given notice of voluntary Withdrawal pursuant to paragraph (a) above) to Withdraw from the Company (whether or not Cause exists) with respect to such person's GP-Related Member Interest and/or with respect to such person's Capital Commitment Member Interest, such Member, upon written notice by the Managing Member to such Member, shall be required to Withdraw with respect to such person's GP-Related Member Interest and/or with respect to such person's Capital Commitment Member Interest, as of a date specified in such notice, which date shall be on or after the date of such notice. If the Managing Member requires any Member to Withdraw for Cause with respect to such person's GP-Related Member Interest and/or with respect to such person's Capital Commitment Member Interest, such notice shall state that it has been given for Cause and shall describe the particulars thereof in reasonable detail.

(e) The withdrawal from the Company of any Member shall not, in and of itself, affect the obligations of the other Members to continue the Company during the remainder of its term.

6.3. GP-Related Member Interests Not Transferable . No Member may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Member's GP-Related Member Interest other than as permitted by written agreement between such Member and the Company; provided , that this Section 6.3 shall not impair transfers by operation of law, transfers by will or by other testamentary instrument occurring by virtue of the death or dissolution of a Member, or transfers required by trust agreements; provided further , that a Regular Member may transfer, for estate planning purposes, up to 25% of his GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership, or limited liability company with respect to which a Regular Member controls investments related to any interest in the Company held therein (an " Estate Planning Vehicle "). Each Estate Planning Vehicle will be a Nonvoting Special Member. Such Regular Member and the Nonvoting Special Member shall be jointly and severally liable for all obligations of both such Regular Member and such Nonvoting Special Member with respect to the Company (including the obligation to make additional GP-Related Capital Contributions), as the case may be. The Managing Member may at its sole option exercisable at any time require any Estate Planning Vehicle to withdraw from the Company on the terms of this Article VI. Except as provided in the second proviso to the first sentence of this Section 6.3, no assignee, legatee, distributee, heir or transferee (by conveyance, operation of law or otherwise) of the whole or any portion of any Member's GP-Related Member Interest shall have any right to be a Member without the prior written consent of the Managing Member (which consent may be withheld without giving reason therefor). Notwithstanding the granting of a security interest in the entire Interest of any Member, such Member shall continue to be a Member of the Company.

6.4. Consequences upon Withdrawal of a Member . (a) The Withdrawal of a Regular Member shall not dissolve the Company if at the time of such Withdrawal there are one or more remaining Regular Members and any one or more of such remaining Regular Members continue the business of the Company (any and all such remaining Regular Members being hereby authorized to continue the business of the Company without dissolution and hereby agreeing to do so). Notwithstanding Section 6.4(b), if upon the Withdrawal of a Regular Member there shall be no remaining Regular Member, the Company shall be dissolved and shall be wound up unless, within 90 days after the occurrence of such Withdrawal, all remaining Special Members agree in writing to continue the business of the Company and to the appointment, effective as of the date of such Withdrawal, of one or more Regular Members.

(b) The Company shall not be dissolved, in and of itself, by the Withdrawal of any Member, but shall continue with the surviving or remaining Members as members thereof in accordance with and subject to the terms and provisions of this Agreement.

6.5. Satisfaction and Discharge of a Withdrawn Member's GP-Related Interest . (a) The terms of this Section 6.5 and of Section 6.6 shall apply to the GP-Related Member Interest of a Withdrawn Member, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Member Interest of a Withdrawn Member. The term " Settlement Date " shall mean the date as of which a Withdrawn Member's GP-Related Member Interest is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Regular Member who Withdraws from the Company, and all or any portion of whose GP-Related Member Interest is retained as a Special Member, shall be considered a Withdrawn Member for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Member's interest in the Company may be agreed to by the Managing Member and a Withdrawn Member, a Withdrawn Member's Settlement Date shall be his Withdrawal Date; provided, that if a Withdrawn Member's Withdrawal is not the last day of a month, then the Managing Member may elect for such Withdrawn Member's Settlement Date to be the last day of the month in which his Withdrawal Date occurs. During the interval, if any, between a Withdrawn Member's Withdrawal Date and Settlement Date, such Withdrawn Member shall have the same rights and obligations with respect to capital contributions, interest on capital, allocations of Net Income (Loss) and distributions as would have applied had such Withdrawn Member remained a Member of the Company during such period.

(c) In the event of the Withdrawal of a Member, the Managing Member shall promptly after such Withdrawn Member's Settlement Date (i) determine and allocate to the Withdrawn Member's GP-Related Capital Account such Withdrawn Member's allocable share of the GP-Related Net Income (Loss) of the Company for the period ending on such Settlement Date in accordance with Article V and (ii) credit the Withdrawn Member's GP-Related Capital Accounts with interest in accordance with Section 5.2. In making the foregoing calculations, the Managing Member shall be entitled to establish such reserves (including reserves for taxes, bad debts, unrealized losses, actual or threatened litigation or any other expenses, contingencies or obligations) as it deems appropriate. Unless otherwise determined by the Managing Member in a particular case, a Withdrawn Member shall not be entitled to receive any GP-Related Unallocated Percentage in respect of the accounting period during which such Member Withdraws from the Company (whether or not previously awarded or allocated) or any GP-Related Unallocated Percentage in respect of prior accounting periods that have not been paid or allocated (whether or not previously awarded) as of such Withdrawn Member's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Member, the Withdrawn Member's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the Managing Member pursuant to Section 5.3(a), be deemed to be GP-Related Unallocated Percentages (except for GP-Related Profit Sharing Percentages with respect to GP-Related Investments as provided in paragraph (f) below).

(e) (i) Upon the Withdrawal from the Company of a Member with respect to such Member's GP-Related Member Interest, such Withdrawn Member thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Member (including voting rights) with respect to such Member's GP-Related Member Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Member shall not have any interest in the Company's GP-Related Net Income (Loss), or in distributions, GP-Related Investments or other assets related to such Member's GP-Related Member Interest. If a Member Withdraws from the Company with respect to such Member's GP-Related Member Interest for any reason other than for Cause pursuant to Section 6.2, then the Withdrawn Member shall be entitled to receive, at the time or times specified in Section 6.5(i) below, in satisfaction and discharge in full of the Withdrawn Member's GP-Related Member Interest, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Member's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Member's percentage interest attributable to each GP-Related Investment in which the Withdrawn Member has an interest as of the Settlement Date as provided in paragraph (f) below (which shall be settled in accordance with paragraph (f) below), subject to all the terms and conditions of paragraphs (a)-(r) of this Section 6.5. If the amount determined pursuant to clause (x) above is an aggregate negative balance, the Withdrawn Member shall pay the amount thereof to the Company upon demand by the Managing Member on or after the date of the statement referred to in paragraph (i) below; provided , that if the Withdrawn Member was solely a Special Member on his Withdrawal Date, such payment shall be required only to the extent of any amounts payable to such Withdrawn Member pursuant to this Section 6.5. Any aggregate negative balance in the GP-Related Capital Accounts of a Withdrawn Member who was solely a Special Member, upon the settlement of such Withdrawn Member's GP-Related Member Interest pursuant to this Section 6.5, shall be allocated among the other Members' GP-Related Capital Accounts in accordance with their respective GP-Related Profit Sharing Percentages in the categories of GP-Related Net Income (Loss) giving rise to such negative balance as determined by the Managing Member as of such Withdrawn Member's Settlement Date. In the settlement of any Withdrawn Member's GP-Related Member Interest in the Company, no value shall be ascribed to goodwill, the Company name or the anticipation of any value the Company or any successor thereto might have in the event the Company or any interest therein were to be sold in whole or in part.

(ii) Notwithstanding clause (i) of this Section 6.5(e), in the case of a Member whose Withdrawal with respect to such Member's GP-Related Member Interest resulted from such Member's death or Incompetence, such Member's estate or legal representative, as the case may be, may elect, at the time described below, to receive a Nonvoting Special Member GP-Related Member Interest and retain such Member's GP-Related Profit Sharing Percentage in all (but not less than all) illiquid investments of the Company in lieu of a cash payment (or Note) in settlement of that portion of the Withdrawn Member's GP-Related Member Interest. The election referred to above shall be made within 60 days after the Withdrawn Member's Settlement Date, based on a statement of the settlement of such Withdrawn Member's GP-Related Member Interest in the Company pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Member's "percentage interest" means his GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Member shall retain his percentage interest in such GP-Related Investment and shall retain his GP-Related Capital Account or portion thereof attributable to such

GP-Related Investment, in which case such Withdrawn Member (a " Retaining Withdrawn Member ") shall become and remain a Special Member for such purpose (and, if the Managing Member so designates, such Special Member shall be a Nonvoting Special Member). The GP-Related Member Interest of a Retaining Withdrawn Member pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Member Interests of any kind hereunder and such other terms and conditions as are established by the Managing Member. At the option of the Managing Member in its sole discretion, the Managing Member and the Retaining Withdrawn Member may agree to have the Company acquire such GP-Related Member Interest without the approval of the other Members; provided , that the Managing Member shall reflect in the books and records of the Company the terms of any acquisition pursuant to this sentence.

(g) The Managing Member may elect, in lieu of payment in cash of any amount payable to a Withdrawn Member pursuant to paragraph (e) above, to (i) have the Company issue to the Withdrawn Member a subordinated promissory note as provided in paragraph (k) below and/or to (ii) distribute in kind to the Withdrawn Member such Withdrawn Member's pro rata share (as determined by the Managing Member) of any securities or other investments of the Company. If any securities or other investments are distributed in kind to a Withdrawn Member under this paragraph (g), the amount described in clause (x) of paragraph (e)(i) shall be reduced by the value of such distribution as valued on the latest balance sheet of the Company in accordance with generally accepted accounting principles or, if not appearing on such balance sheet, as reasonably determined by the Managing Member.

(h) [Intentionally omitted]

(i) Within 120 days after each Settlement Date, the Managing Member shall submit to the Withdrawn Member a statement of the settlement of such Withdrawn Member's GP-Related Member Interest in the Company pursuant to this Section 6.5 together with any cash payment, subordinated promissory note (as referred to in paragraph (k) below) and in kind distributions to be made to such Member as shall be determined by the Managing Member. The Managing Member shall submit to the Withdrawn Member supplemental statements with respect to additional amounts payable to or by the Withdrawn Member in respect of the settlement of his GP-Related Member Interest in the Company (e.g. , payments in respect of GP-Related Investments pursuant to paragraph (f) above or adjustments to reserves pursuant to paragraph (j) below) promptly after such amounts are determined by the Managing Member. To the fullest extent permitted by law, such statements and the valuations on which they are based shall be accepted by the Withdrawn Member without examination of the accounting books and records of the Company or other inquiry. Any amounts payable by the Company to a Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment or provision for payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to the applicable date of payment or distribution; provided , that such Withdrawn Member shall otherwise rank pari passu in right of payment (x) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year before the Withdrawal Date of the Withdrawn Member in question and (y) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year after the Withdrawal Date of the Withdrawn Member in question.

(j) If the aggregate reserves established by the Managing Member as of the Settlement Date in making the foregoing calculations should prove, in the determination of the Managing Member, to be excessive or inadequate, the Managing Member may elect, but shall not be obligated, to pay the Withdrawn Member or his estate such excess, or to charge the Withdrawn Member or his estate such deficiency, as the case may be.

(k) Any amounts owed by the Withdrawn Member to the Company at any time on or after the Settlement Date (e.g. , outstanding Company loans or advances to such Withdrawn Member)

shall be offset against any amounts payable or distributable by the Company to the Withdrawn Member at any time on or after the Settlement Date or shall be paid by the Withdrawn Member to the Company, in each case as determined by the Managing Member. All cash amounts payable by a Withdrawn Member to the Company under this Section 6.5 shall bear interest from the due date to the date of payment at a floating rate equal to the lesser of (x) the rate of interest publicly announced from time to time by JPMorgan Chase Bank, N.A. in New York City as its prime rate and (y) the maximum rate of interest permitted by applicable law. The "due date" of amounts payable by a Withdrawn Member pursuant to Section 6.5(i) above shall be 120 days after a Withdrawn Member's Settlement Date. The "due date" of amounts payable to or by a Withdrawn Member in respect of GP-Related Investments for which the Withdrawn Member has retained a percentage interest in accordance with paragraph (f) above shall be 120 days after realization with respect to such GP-Related Investment. The "due date" of any other amounts payable by a Withdrawn Member shall be 60 days after the date such amounts are determined to be payable.

(l) At the time of the settlement of any Withdrawn Member's GP-Related Member Interest in the Company pursuant to this Section 6.5, the Managing Member may, to the fullest extent permitted by applicable law, impose any restrictions it deems appropriate on the assignment, pledge, encumbrance or other transfer by such Withdrawn Member of any interest in any GP-Related Investment retained by such Withdrawn Member, any securities or other investments distributed in kind to such Withdrawn Member or such Withdrawn Member's right to any payment from the Company.

(m) If a Member is required to Withdraw from the Company with respect to such Member's GP-Related Member Interest for Cause pursuant to Section 6.2(d), then his GP-Related Member Interest shall be settled in accordance with paragraphs (a)-(s) of this Section 6.5; provided , that the Managing Member may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement:

(i) In settling the Withdrawn Member's interest in any GP-Related Investment in which he has an interest as of his Settlement Date, the Managing Member may elect to (A) determine the GP-Related Unrealized Net Income (Loss) attributable to each such GP-Related Investment as of the Settlement Date and allocate to the appropriate GP-Related Capital Account of the Withdrawn Member his allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Member's GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Member with the balance of his GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his Settlement Date, which shall be forfeited by the Withdrawn Member or (C) apply the provisions of paragraph (f) above, provided , that the maximum amount of GP-Related Net Income (Loss) allocable to such Withdrawn Member with respect to any GP-Related Investment shall equal such Member's percentage interest of the GP-Related Unrealized Net Income, if any, attributable to such GP-Related Investment as of the Settlement Date (the balance of such GP-Related Net Income (Loss), if any, shall be allocated as determined by the Managing Member). The Withdrawn Member shall not have any continuing interest in any GP-Related Investment to the extent an election is made pursuant to (A) or (B) above.

(ii) Any amounts payable by the Company to the Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to or on or after the applicable date of payment or distribution.

(n) The payments to a Withdrawn Member pursuant to this Section 6.5 may be conditioned on the compliance by such Withdrawn Member with any lawful and reasonable (under the circumstances) restrictions against engaging or investing in a business competitive with that of the Company or any of its subsidiaries and affiliates for a period not exceeding two years determined by the Managing Member. Upon written notice to the Managing Member, any Withdrawn Member who is subject to noncompetition restrictions established by the Managing Member pursuant to this paragraph (o) may elect to forfeit the principal amount payable in the final installment of his subordinated promissory note under paragraph (k) above, together with interest to be accrued on such installment after the date of forfeiture, in lieu of being bound by such restrictions.

(o) In addition to the foregoing, the Managing Member shall have the right to pay a Withdrawn Member (other than the Managing Member) a discretionary additional payment in an amount and based upon such circumstances and conditions as it determines to be relevant.

(p) The provisions of this Section 6.5 shall apply to any Investor Special Member relating to a Regular Member or Special Member and to any transferee of any GP-Related Member Interest of such Member pursuant to Section 6.3 if such Member Withdraws from the Company.

(q) (i) The Company will assist a Withdrawn Member or his estate or guardian, as the case may be, in the settlement of the Withdrawn Member's GP-Related Member Interest in the Company. Third party costs incurred by the Company in providing this assistance will be borne by the Withdrawn Member or his estate.

(ii) The Company may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Members or their estates or guardians, as referred to above. In such instances, the Company will obtain the prior approval of a Withdrawn Member or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his estate or guardian) declines to incur such costs, the Company will provide such reasonable assistance as and when it can so as not to interfere with the Company's day-to-day operating, financial, tax and other related responsibilities to the Company and the Members.

(r) Each Member (other than the Managing Member) hereby irrevocably appoints the Managing Member as such Member's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file, on behalf of such Member, any and all agreements, instruments, documents and certificates which the Managing Member deems necessary or advisable in connection with any transaction or matter contemplated by or provided for in this Section 6.5, including, without limitation, the performance of any obligation of such Member or the Company or the exercise of any right of such Member or the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Company of any Member for any reason and shall not be affected by the death, disability or incapacity of such Member.

6.6. Dissolution of the Company . The Managing Member may dissolve the Company prior to the expiration of its term at any time on not less than 60 days' notice of the dissolution date given to the other Members.

6.7. Certain Tax Matters . (a) All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members for Federal, state and local income tax purposes in the same manner as such items of income, gain, loss, deduction and credit shall be allocated among the Members pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other

applicable law. To the extent Treasury Regulations promulgated pursuant to Subchapter K of the Code (including under Sections 704(b) and (c) of the Code) or other applicable law require allocations for tax purposes that differ from the foregoing allocations, the Managing Member may determine the manner in which such tax allocations shall be made so as to comply more fully with such Treasury Regulations or other applicable law and, at the same time, preserve the economic relationships among the Members as set forth in this Agreement. In the event there is a net decrease in partnership minimum gain or partner nonrecourse debt minimum gain (determined in accordance with the principles of Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Company, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to its respective share of such net decrease during such year, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(f). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Regulations Section 1.704-1(b)(2)(ii)(d).

(b) The Managing Member shall cause to be prepared all Federal, state and local tax returns of the Company for each year for which such returns are required to be filed and, after approval of such returns by the Managing Member, shall cause such returns to be timely filed. The Managing Member shall determine the appropriate treatment of each item of income, gain, loss, deduction and credit of the Company and the accounting methods and conventions under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of any such item or any other method or procedure related to the preparation of such tax returns. The Managing Member may cause the Company to make or refrain from making any and all elections permitted by such tax laws. Each Member agrees that he shall not, unless he provides prior notice of such action to the Company, (i) treat, on his individual income tax returns, any item of income, gain, loss, deduction or credit relating to his interest in the Company in a manner inconsistent with the treatment of such item by the Company as reflected on the Form K-1 or other information statement furnished by the Company to such Member for use in preparing his income tax returns or (ii) file any claim for refund relating to any such item based on, or which would result in, such inconsistent treatment. In respect of an income tax audit of any tax return of the Company, the filing of any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company, or any administrative or judicial proceedings arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, (A) the Tax Matters Member (as defined below) shall be authorized to act for, and his decision shall be final and binding upon, the Company and all Members except to the extent a Member shall properly elect to be excluded from such proceeding pursuant to the Code, (B) all expenses incurred by the Tax Matters Member in connection therewith (including, without limitation, attorneys', accountants' and other experts' fees and disbursements) shall be expenses of the Company and (C) no Member shall have the right to (1) participate in the audit of any Company tax return, (2) file any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company (unless he provides prior notice of such action to the Company as provided above), (3) participate in any administrative or judicial proceedings conducted by the Company or the Tax Matters Member arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, or (4) appeal, challenge or otherwise protest any adverse findings in any such audit conducted by the Company or the Tax Matters Member or with respect to any such amended return or claim for refund filed by the Company or the Tax Matters Member or in any such administrative or judicial proceedings conducted by the Company or the Tax Matters Member. The Company and each Member hereby designate any Member selected by the Managing Member as the "tax matters partner" for purposes of Section 6231(a)(7) of the Code (the " Tax Matters Member "). To the fullest extent permitted by applicable law, each Member agrees to indemnify and hold harmless the Company and all other Members from and against any and all liabilities, obligations, damages, deficiencies and expenses resulting from any breach or violation by such Member of the provisions of this Section 6.7 and from all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees and disbursements, incident to any such breach or violation.

(c) Each individual Member shall provide to the Company copies of each Federal, state and local income tax return of such Member (including any amendment thereof) within 30 days after filing such return.

6.8. Special Basis Adjustments . In connection with any assignment or transfer of a Company interest permitted by the terms of this Agreement, the Managing Member may cause the Company, on behalf of the Members and at the time and in the manner provided in Code Regulations Section 1.754-1(b), to make an election to adjust the basis of the Company's property in the manner provided in Sections 734(b) and 743(b) of the Code.

ARTICLE VII

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS; ALLOCATIONS; DISTRIBUTIONS

7.1. Capital Commitment Interests, etc .

(a) (i) This Article VII and Article VIII hereof set forth certain terms and conditions with respect to the Capital Commitment Member Interests, the Company's Capital Commitment BREMA VI Partner Interest and the Capital Commitment BREP VI Interest and matters related to the Capital Commitment Member Interests, the Company's Capital Commitment BREMA VI Partner Interest and the Capital Commitment BREP VI Interest. Except as otherwise expressly provided in this Article VII or in Article VIII, the terms and provisions of this Article VII and Article VIII shall not apply to the GP-Related Member Interests, the Company's GP-Related BREMA VI Partner Interest or the GP-Related BREA VI LP Interest.

(ii) Each Member, severally, agrees to make contributions of capital to the Company (" Capital Commitment-Related Capital Contributions ") as required to fund the Company's capital contribution to BREMA VI in respect of the Company's Capital Commitment BREMA VI Partner Interest (representing a portion of BREMA VI's capital contribution in respect of BREMA VI's BRE Holdings VI Partner Interest and the related Capital Commitment BREP VI Commitment, which includes, without limitation, funding all or a portion of the Blackstone Capital Commitment). No Member shall be obligated to make contributions of capital to the Company in an amount in excess of such Member's Capital Commitment-Related Commitment. The Commitment Agreements and the SMD Agreements of the Members may include provisions with respect to the foregoing matters. It is understood that a Member will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Member necessarily have the same Capital Commitment Profit Sharing Percentage with respect to (i) the Company's portion of the Blackstone Capital Commitment or (ii) the making of each Capital Commitment Investment in which such Member participates; provided , that this in no way limits the terms of any Commitment Agreement or SMD Agreement. In addition, nothing contained herein shall be construed to give any Member the right to obtain financing with respect to the purchase of any Capital Commitment Interest, and nothing contained herein shall limit or dictate the terms upon which the Company and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Member shall be evidenced by receipt by the Company of funds equal to such Member's Capital Commitment- Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the Managing Member may submit to the Members from time to time.

(b) The Company or one of its Affiliates (in such capacity, the " Advancing Party ") may in its sole discretion advance all or any portion of the Capital Commitment Capital Contributions due to the Company from any Member with respect to any Capital Commitment Investment (" Firm Advances "). Each such Member shall pay interest on each Firm Advance from the date of each such Firm Advance until the repayment thereof by such Member. Each Firm Advance shall be repayable in full, including accrued interest to the date of such repayment, upon prior written notice by the Advancing Party. The making and repayment of each Firm Advance shall be recorded in the books and records of the Company, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Member and the Advancing Party absent manifest error. Except as provided below, the interest rate applicable to a Firm Advance shall equal the cost of funds of the Advancing Party at the time of the making of such Firm Advance. The Advancing Party shall inform any Member of such rate upon such Member's request. Amounts that are otherwise payable to such Member pursuant to Section 7.4(a) shall be used to repay such Firm Advance (including interest thereon). The Advancing Party may, in its sole discretion, change the terms of Firm Advances (including the terms contained herein) and/or discontinue the making of Firm Advances; provided , that (i) the Advancing Party shall notify the relevant Members of any material changes to such terms and (ii) the interest rate applicable to such Firm Advances and overdue amounts thereon shall not exceed the maximum interest rate allowable by applicable law.

7.2. Capital Commitment Capital Accounts . (a) There shall be established for each Member on the books of the Company as of the date of formation of the Company, or such later date on which such Member is admitted to the Company, and on each such other date as such Member first acquires a Capital Commitment Interest in a particular Capital Commitment Investment, a Capital Commitment Capital Account for each Capital Commitment Investment in which such Member acquires a Capital Commitment Interest on such date. Each Capital Commitment Capital Contribution of a Member shall be credited to the appropriate Capital Commitment Capital Account of such Member on the date such Capital Commitment Capital Contribution is paid to the Company. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Member's interest in the Company related to his Capital Commitment Member Interest as provided in this Agreement.

(b) A Member shall not have any obligation to the Company or to any other Member to restore any negative balance in the Capital Commitment Capital Account of such Member. Until distribution of any such Member's interest in the Company with respect to a Capital Commitment Interest as a result of the disposition by the Company of the related Capital Commitment Investment and in whole upon the dissolution of the Company, neither such member's Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the Managing Member.

7.3. Allocations . (a) Capital Commitment Net Income (Loss) of the Company for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Members (including the Managing Member) participating in such Capital Commitment Investment in proportion to their respective Capital Commitment Profit Sharing Percentages for such Capital Commitment Investment. Capital Commitment Net Income (Loss) on any Unallocated Capital Commitment Interest shall be allocated to each Member in the proportion which such Member's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Members; provided , that if any Member makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Company for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Members participating in such Capital Commitment Investment who do not make such election in proportion to their respective Capital Commitment Profit Sharing Percentages for such Capital Commitment Investment.

(b) Any special costs relating to distributions pursuant to Section 7.6 or 7.7 shall be specially allocated to the electing Member.

7.4. Distributions . (a) Each Member's allocable portion of Capital Commitment Net Income received from his Capital Commitment Investments, distributions to such Member that constitute returns of capital, and other Capital Commitment Net Income of the Company (including, without limitation, Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a fiscal year of the Company will be credited to payment of the Investor Notes to the extent required below as of the last day of such fiscal year (or on such earlier date as related distributions are made in the sole discretion of the Managing Member) with any cash amount distributable to such Member pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each fiscal year of the Company (or in each case on such earlier date as selected by the Managing Member in their sole discretion) as follows (subject to Section 7.4(c) below):

(i) First, to the payment of interest then due on all Investor Notes (relating to Capital Commitment Investments or otherwise) of such Member (to the extent Capital Commitment Net Income and distributions or payments from Other Sources do not equal or exceed all interest payments due, the selection of those of such Member's Investor Notes upon which interest is to be paid and the division of payments among such Investor Notes to be determined by the Lender or Guarantor);

(ii) Second, to distribution to the Member of an amount equal to the Federal, state and local income taxes on income of the Company allocated to such Member for such year in respect of such Member's Capital Commitment Member Interest (the aggregate amount of any such distribution shall be determined by the Managing Member, subject to the limitation that the minimum aggregate amount of such distribution be the tax that would be payable if the taxable income of the Company related to all Members' Capital Commitment Member Interests were all allocated to an individual subject to the then-prevailing maximum Federal, New York State and New York City tax rates (taking into account the extent to which such taxable income allocated by the Company was composed of long-term capital gains and the deductibility of state and local income taxes for Federal income tax purposes)); provided , that additional amounts shall be paid to the Member pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Member pursuant to a comparable provision in any BFREP Agreement or in any BFIP Agreement, BFMEZP Agreement or BFCOMP Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership; provided further , that amounts paid pursuant to the provisions in such BFREP Agreements, BFIP Agreements, BFMEZP Agreements or BFCOMP Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Member pursuant to provisions in such BFREP Agreements, BFIP Agreements, BFMEZP Agreements or BFCOMP Agreements that are comparable to this clause (ii);

(iii) Third, to the payment in full of the principal amount of the Investor Note financing (A) any Capital Commitment Investment disposed of during or prior to such fiscal year or (B) any BFREP Investments (other than Capital Commitment Investments), BFIP Investments, BFMEZP Investments or BFCOMP Investments disposed of during or prior to such fiscal year, to the extent not repaid from Other Sources;

(iv) Fourth, to the return to such Member of (A) all Capital Commitment Capital Contributions made in respect of the Capital Commitment Interest to which any Capital Commitment Investment disposed of during or prior to such fiscal year relates or (B) all capital contributions made to BFREP (other than the Company), BFIP, BFMEZP or BFCOMP in respect of interests therein relating to BFREP Investments (other than Capital Commitment Investments), BFIP Investments, BFMEZP Investments or BFCOMP Investments disposed of during or prior to such fiscal year (including all principal paid on the related Investor Notes), to the extent not repaid from amounts of Other Sources (other than amounts of CC Carried Interest);

(v) Fifth, to the payment of principal (including any previously deferred amounts) then owing under all other Investor Notes of such Member (including those unrelated to the Company), the selection of those of such Member's Investor Notes to be repaid and the division of payments among such Investor Notes to be determined by the Lender or Guarantor;

(vi) Sixth, up to 50% of any Capital Commitment Net Income remaining after application pursuant to clauses (i) through (v) above shall be applied pro rata to prepayment of principal of all remaining Investor Notes of such Member (including those unrelated to the Company), the selection of those of such Member's Investor Notes to be repaid, the division of payments among such Investor Notes and the percentage of remaining Capital Commitment Net Income to be applied thereto to be determined by the Lender or Guarantor; and

(vii) Seventh, to such Member to the extent of any amount of Capital Commitment Net Income remaining after making the distributions in clauses (i) through (vi) above, and such amount is not otherwise required to be applied to Investor Notes pursuant to the terms thereof.

To the extent there is a partial disposition of a Capital Commitment Investment, any other BFREP Investment or any BFIP Investment, BFMEZP Investment or BFCOMP Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment, other BFREP Investment, BFIP Investment, BFMEZP Investment or BFCOMP Investment, as applicable, disposed of and the principal amount and related interest payments of such Investor Note shall be adjusted to reflect such partial payment so that there are equal payments over the remaining term of the related Investor Note. For a Member who is no longer an employee or officer of Holdings or its Affiliates, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the Company or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Member's Capital Commitment Member Interest shall be applied to the prepayment of the outstanding Investor Notes of such Member, until all such Member's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Member.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the Managing Member. At the Managing Member's discretion, any amounts distributed to a Member in respect of such Member's Capital Commitment Member Interest will be net of any interest and principal payable on his Investor Notes for the full period in respect of which the distribution is made.

(b) [Intentionally omitted]

(c) To the extent that the foregoing Company distributions and distributions and payments from Other Sources are insufficient to satisfy any principal and/or interest due on Investor Notes, and to the extent that the Managing Member in their sole discretion elect to apply this paragraph (c) to any individual payments due, such unpaid interest will be added to the remaining principal amount of such Investor Notes and shall be payable on the next scheduled principal payment date (along with any

deferred principal and any principal and interest due on such date); provided , that such deferral shall not apply to a Member that is no longer an employee or officer of Holdings or an Affiliate thereof. All unpaid interest on such Investor Notes shall accrue interest at the interest rate then in effect for such Investor Notes.

(d) [Intentionally omitted]

(e) The Capital Commitment Capital Account of each Member shall be reduced by the amount of any distribution to such Member pursuant to paragraph (a) of this Section 7.4.

(f) At any time that a sale, exchange, transfer or other disposition of a portion of a Capital Commitment Investment is being considered by the Company or BREP VI (a " Capital Commitment Disposable Investment "), at the election of the Managing Member each Member's Capital Commitment Interest with respect to such Capital Commitment Investment shall be vertically divided into two separate Capital Commitment Interests, a Capital Commitment Interest attributable to the Capital Commitment Disposable Investment (a Member's " Capital Commitment Class B Interest "), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Member's " Capital Commitment Class A Interest "). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Company) relating to a Capital Commitment Disposable Investment shall be made only to holders of Capital Commitment Class B Interests with respect to such Capital Commitment Investment in accordance with their respective Capital Commitment Profit Sharing Percentages relating to such Capital Commitment Class B Interests, and distributions (including those resulting from the direct or indirect sale, transfer, exchange or other disposition by the Company) relating to a Capital Commitment Investment excluding such Capital Commitment Disposable Investment shall be made only to holders of Capital Commitment Class A Interests with respect to such Capital Commitment Investment in accordance with their respective Capital Commitment Profit Sharing Percentages relating to such Capital Commitment Class A Interests.

(g) (i) If BRE Holdings VI is obligated under the Giveback Provisions to contribute a Giveback Amount to BREP VI as a partner of BREP VI, and the Company is obligated to make a capital contribution (directly or indirectly) of all or a portion of such Giveback Amount (the amount of such obligation of the Company with respect to such Giveback Amount being herein called a " Capital Commitment Giveback Amount "), the Company shall call for such amounts as are necessary to satisfy such obligation as determined by the Managing Member, in which case each Member shall contribute to the Company, in cash, when and as called by the Company, such an amount of prior distributions by the Company with respect to the Capital Commitment BREP VI Interest (the " Capital Commitment Recontribution Amount ") which equals such Member's pro rata share of prior distributions in connection with (a) the Capital Commitment BREP VI Investment giving rise to the Capital Commitment Giveback Amount, or (b) if the amounts contributed pursuant to clause (a) above are insufficient to satisfy such Capital Commitment Giveback Amount, Capital Commitment BREP VI Investments other than the one giving rise to such obligation. Each Member shall promptly contribute to the Company upon notice thereof such Member's Capital Commitment Recontribution Amount. Prior to such time, the Company may, at the Managing Member's discretion (but shall be under no obligation to), provide notice that in the Managing Member's judgment, the potential obligations in respect of the Capital Commitment Giveback Amount will probably materialize (and an estimate of the aggregate amount of such obligations).

(ii) (A) In the event any Member (a " Capital Commitment Defaulting Party ") fails to recontribute all or any portion of such Capital Commitment Defaulting Party's Capital Commitment Recontribution Amount for any reason, the Company shall require all other Members and Withdrawn Members to contribute, on a pro rata basis (based on each of their

respective Capital Commitment Profit Sharing Percentages), such amounts as are necessary to fulfill the Capital Commitment Defaulting Party's obligation to pay such Capital Commitment Defaulting Party's Capital Commitment Recontribution Amount (a " Capital Commitment Deficiency Contribution ") if the Managing Member determines in their good faith judgment that the Company will be unable to collect such amount in cash from such Capital Commitment Defaulting Party for payment of the Capital Commitment Giveback Amount at least 20 Business Days prior to the latest date that the Company is permitted to pay the Capital Commitment Giveback Amount; provided , that no Member shall as a result of such Capital Commitment Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of the Capital Commitment Recontribution Amount initially requested from such Member in respect of such default. Thereafter, the Managing Member shall determine in its good faith judgment that the Company should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the Managing Member or (2) pursue any and all remedies (at law or equity) available to the Company against the Capital Commitment Defaulting Party, the cost of which shall be a Company expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Company shall have the right (effective upon such Capital Commitment Defaulting Party becoming a Capital Commitment Defaulting Party) to set-off as appropriate and apply against such Capital Commitment Defaulting Party's Capital Commitment Recontribution Amount any amounts otherwise payable to the Capital Commitment Defaulting Party by the Company or any Affiliate thereof. Each Member hereby grants to the Company a security interest, effective upon such Member becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Company or any Affiliate of the Company and agrees that, upon the effectiveness of such security interest, the Company may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member hereby appoints the Company as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Member or in the name of the Company, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Company shall be entitled to collect interest on the Capital Commitment Recontribution Amount of a Capital Commitment Defaulting Party from the date such Capital Commitment Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(B) Any Member's failure to make a Capital Commitment Deficiency Contribution shall cause such Member to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Member's obligation to make contributions to the Company under this Section 7.4(i) shall survive the termination of the Company.

7.5. Valuations .

Capital Commitment Investments shall be valued annually as of the end of each year (and at such other times as deemed appropriate by the Managing Member) in accordance with the principles utilized by BREA VI (or any other Affiliate that is a general partner of BREP VI) in valuing investments of BREP VI or, in the case of investments not held by BREP VI, in the good faith judgment of the Managing Member, subject in each case to the second proviso of the immediately succeeding sentence. The value of any Capital Commitment Interest as of any date (the " Capital Commitment Value ") shall be based on the value of the underlying Capital Commitment Investment as set forth above; provided , that the Capital Commitment Value may be determined as of an earlier date if determined appropriate by the Managing Member in good faith; provided further , that such value may be adjusted by

the Managing Member to take into account factors relating solely to the value of a Capital Commitment Interest (as compared to the value of the underlying Capital Commitment Investment), such as restrictions on transferability, the lack of a market for such Capital Commitment Interest and lack of control of the underlying Capital Commitment Investment. To the full extent permitted by applicable law such valuations shall be final and binding on all Members; provided further , that the immediately preceding proviso shall not apply to any Capital Commitment Interests held by a person who is or was at any time a direct Member of the Company.

7.6. Disposition Election . (a) At any time prior to the date of the Company's execution of a definitive agreement to dispose of a Capital Commitment Investment, the Managing Member may in their sole discretion permit a Member to retain all or any portion of its pro rata share of such Capital Commitment Investment (as measured by such Member's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the Managing Member so permits, such Member shall instruct the Managing Member in writing prior to such date (i) not to dispose of all or any portion of such Member's pro rata share of such Capital Commitment Investment (the " Retained Portion ") and (ii) either to (A) distribute such Retained Portion to such Member on the closing date of such disposition or (B) retain such Retained Portion in the Company on behalf of such Member until such time as such Member shall instruct the Managing Member upon 5 days notice to distribute such Retained Portion to such Member. Such Member's Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Company of such Retained Portion or the Company's disposition of other Members' pro rata shares of such Capital Commitment Investment; provided , that such Member's Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Member or upon distribution of proceeds with respect to a subsequent disposition thereof by the Company.

(b) No distribution of such Retained Portion shall occur unless any Investor Notes relating thereto shall have been paid in full prior to or simultaneously with such distribution.

7.7. Capital Commitment Special Distribution Election . (a) From time to time during the term of this Agreement, the Managing Member may in its sole discretion, upon receipt of a written request from a Member, distribute to such Member any portion of its pro rata share of a Capital Commitment Investment (as measured by such Member's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a " Capital Commitment Special Distribution "). Such Member's Capital Commitment Capital Account shall be adjusted upon distribution of such Capital Commitment Special Distribution.

(b) No Capital Commitment Special Distributions shall occur unless any Investor Notes relating thereto shall have been paid in full prior to or simultaneously with such Capital Commitment Special Distribution.

ARTICLE VIII

WITHDRAWAL, ADMISSION OF NEW MEMBERS

8.1. Member Withdrawal; Vesting; Repurchase of Capital Commitment Interests . (a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as not subject to repurchase for purposes hereof based upon the proportion of (a) the sum of Capital Commitment Capital Contributions not financed by an Investor Note with respect to each Capital Commitment Interest and principal payments on the related Investor Note to (b) the sum of the Capital Commitment Capital Contributions not financed by an Investor Note with respect to such Capital Commitment Interest, the original principal amount of such Investor Note and all deferred amounts of

interest which from time to time comprise part of the principal amount of the Investor Note. A Member may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Member prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Member is no longer an employee or officer of Holdings or an Affiliate thereof, the Company (or its designee) shall have the right, in its sole discretion, to purchase the Capital Commitment Interest that became Non-Contingent as a result of such prepayment; provided further, that the purchase price for such Capital Commitment Interest shall be determined in accordance with the determination of the purchase price of a Member's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Member shall apply pro rata against all of such Member's Investor Notes; provided, that such Member may request that such prepayments be applied only (w) to Investor Notes relating to BFREP Investments or (x) to Investor Notes relating to BFIP Investments or (y) to Investor Notes relating to BFMEZP Investments or (z) to Investor Notes relating to BFCOMP Investments. Except as expressly provided herein, Capital Commitment Interests that were not financed in any respect with Investor Notes shall be treated as Non-Contingent Capital Commitment Interests.

(b) Upon a Member ceasing to be an officer or employee of the Company or any of its Affiliates, other than as a result of such Member dying or suffering a Total Disability, such Member (the " Withdrawn Member ") and the Company or any other person designated by the Managing Member shall each have the right (exercisable by the Withdrawn Member within 30 days and by the Company or its designee(s) within 45 days of such Member's ceasing to be such an officer or employee) or any time thereafter, upon 30 days notice, but not the obligation, to require the Company, subject to the LLC Act, to buy (in the case of exercise of such right by such Withdrawn Member) or the Withdrawn Member to sell (in the case of exercise of such right by the Company or its designee(s)) all (but not less than all) such Withdrawn Member's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest will be an amount equal to (i) the outstanding principal amount of the related Investor Note plus accrued interest thereon to the date of purchase (such portion of the purchase price to be made in cash) and (ii) an additional amount (the " Adjustment Amount ") equal to (x) all interest paid by the Member on the portion of the principal amount of the Investor Note relating to the portion of the related Capital Commitment Interest remaining Contingent plus (y) all Capital Commitment Net Losses allocated to the Withdrawn Member on the Contingent portion of such Capital Commitment Interest minus (z) all Capital Commitment Net Income allocated to the Withdrawn Member on the Contingent portion of such Capital Commitment Interest; provided , that, if the Withdrawn Member was terminated from employment or his position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the Managing Member's sole discretion, may be deemed to equal zero. The Adjustment Amount shall, if positive, be payable by the holders of the purchased Capital Commitment Interests to the Withdrawn Member from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Member's Capital Commitment Interests at the time such Capital Commitment Net Income is received. If the Adjustment Amount resulting from an exchange is negative, it shall be payable to the holders of the purchased Capital Commitment Interest by the Withdrawn Member at the time such Capital Commitment Net Income is received by the Withdrawn Member from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Member's Capital Commitment Interests or, if the Company or its designee(s) elect to purchase such Withdrawn Member's Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Member at the time of such purchase; provided , that the Company and its Affiliates may offset any amounts otherwise owing to a Withdrawn Member against any Adjustment Amount owed by such Withdrawn Member. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Member's Contingent Capital Commitment Interests, his related Investor Note shall be payable in full. If neither the Withdrawn Member nor the Company nor its designee(s) exercise the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Member shall retain the Contingent portion of his

Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Member in his individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Member at his option, and the Company shall apply such prepayments against outstanding Investor Notes on a pro rata basis. To the extent that another Member purchases a portion of a Capital Commitment Interest of a Withdrawn Member, the purchasing Member's Capital Commitment Capital Account and Capital Commitment Profit Sharing Percentage for such Capital Commitment Investment shall be correspondingly increased.

(c) Upon the occurrence of a Final Event with respect to any Member, such Member shall thereupon cease to be a Member with respect to such Member's Capital Commitment Member Interest. If such a Final Event shall occur, no Successor in Interest to any such Member shall for any purpose hereof become or be deemed to become a Member. The sole right, as against the Company and the remaining Members, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Member shall be to receive any distributions and allocations with respect to such Member's Capital Commitment Member Interest pursuant to Article VII and this Article VIII, subject to the right of the Company to purchase the Capital Commitment Interests of such former Member pursuant to Section 8.1(b) or Section 8.1(d)) to the extent, at the time, in the manner and in the amount otherwise payable to such Member had such a Final Event not occurred, and no other right shall be acquired hereunder by, or shall result hereunder to, a Successor in Interest to such Member, whether by operation of law or otherwise. Until distribution of any such Member's interest in the Company upon the dissolution of the Company as provided in Section 9.2, neither his Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption without the consent of the Managing Member. The Company shall be entitled to treat any Successor in Interest to such Member as the only person entitled to receive distributions and allocations hereunder with respect to such Member's Capital Commitment Member Interest.

(d) If a Member dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Member shall be purchased by the Company or its designee (within 30 days of the first date on which the Company knows or has reason to know of such Member's death or Total Disability) as provided in Section 8.1(b) (except that any Adjustment Amount shall be payable by or to the estate or personal representative in cash) and any Investor Notes financing such Contingent Capital Commitment Interests shall thereupon be prepaid as provided in Section 8.1(b). In addition, in the case of the death or Total Disability of a Member, if the estate or personal representative of such Member so requests in writing within 180 days of the Member's death or ceasing to be an employee or member (directly or indirectly) of the Company or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Company or its designee may but is not obligated to purchase for cash all (but not less than all) Non-Contingent Capital Commitment Interests of such Member as of the last day of the Company's then current fiscal year at a price equal to the Capital Commitment Value thereof. Each Member shall be required to include appropriate provisions in his will to reflect such provisions of this Agreement. In addition, the Company may, in the sole discretion of the Managing Member, upon notice to the estate or personal representative of such Member within 30 days of the first date on which the Company knows or has reason to know of such Member's death or Total Disability, determine either (i) to distribute Securities or other property to the estate or personal representative in exchange for such Non-Contingent Capital Commitment Interests as provided in Section 8.1 (e) or (ii) to require sale of such Non-Contingent Capital Commitment Interests to the Company or its designee as of the last day of any fiscal year of the Company (or earlier period, as determined by the Managing Member in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Member as a Member with respect to any Non-Contingent Capital Commitment Interests, the Managing Member may, in its sole discretion, by notice to

such Withdrawn Member within 45 days of his ceasing to be an employee or officer of the Company or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Member the pro rata portion of the Securities or other property underlying such Withdrawn Member's Non-Contingent Capital Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his Non-Contingent Capital Commitment Interests in the Company or (2) to cause, as of the last day of any fiscal year of the Company (or earlier period, as determined by the Managing Member in its sole discretion), the Company or another person designated by the Managing Member (who may be itself another Member or another Affiliate of the Company) to purchase all (but not less than all) of such Withdrawn Member's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The Managing Member shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Member's execution and delivery to the Company of an appropriate irrevocable proxy, in favor of the Company or its nominee, relating to such Securities.

(f) The Company may subsequently transfer any Unallocated Capital Commitment Interest or portion thereof which is purchased by it as described above to any other person approved by the Managing Member. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the Company's designee(s), Holdings may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Company, the transferee or the designee-purchaser(s), as applicable. To the extent that a Withdrawn Member's Capital Commitment Interests (or portions thereof) are repurchased by the Company and not transferred to or purchased by another person, all or any portion of such repurchased Capital Commitment Interests may, in the sole discretion of the Managing Member, (i) be allocated to each Member already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Member in the Company, whether or not already participating in such Capital Commitment Investment, and/or (iii) continue to be held by the Company itself as an unallocated Capital Commitment Investment (such Capital Commitment Interests being herein called " Unallocated Capital Commitment Interests "). To the extent that a Capital Commitment Interest is allocated to Members as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Company to finance such repurchase shall also be allocated to such Members. All such Capital Commitment Interests allocated to Members shall be deemed to be Contingent and shall become Non-Contingent as and to the extent that the principal amount of such related indebtedness is repaid. The Members receiving such allocations shall be responsible for such related indebtedness only on a nonrecourse basis to the extent appropriate as provided in this Agreement, except as such Members and the Managing Member shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the Company may require an assumption by the Members of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Members; provided , that a Member shall not, except as set forth in his Investor Note, be obligated to accept any personally recourse obligation unless his prior consent is obtained. So long as the Company itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Company and any indebtedness financing the Unallocated Capital Commitment Interests shall be an obligation of the Company to which all income of the Company is subject except as otherwise agreed by the lender of such indebtedness. Any Capital Commitment Net Income (Loss) on an Unallocated Capital Commitment Interest shall be allocated to each Member in the proportion his aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Members; debt service on such related financing will be an expense of the Company allocable to all Members in such proportions.

(g) If a Member is required to Withdraw from the Company with respect to such Member's Capital Commitment Member Interest for Cause, then his Capital Commitment Interest shall

be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided , that if such Member was not at any time a direct Regular Member of the Company, the Managing Member may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement:

(i) purchase for cash all of such Withdrawn Member's Non-Contingent Capital Commitment Interests. The purchase price for each such Non-Contingent Capital Commitment Interest shall be the lower of (A) the original cost of such Non-Contingent Capital Commitment Interest or (B) an amount equal to the Capital Commitment Value thereof;

(ii) allow the Withdrawn Member to retain such Non-Contingent Capital Commitment Interests; provided , that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Member with respect to any Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Member if such Capital Commitment Investment had been sold as of the Settlement Date at the then prevailing Capital Commitment Value thereof; or

(iii) in lieu of cash, purchase such Non-Contingent Capital Commitment Interests by providing the Withdrawn Member with a promissory note in the amount determined in (i) above. Such promissory note shall have a maximum term of ten (10) years with interest at the Federal Funds Rate.

(h) The Company will assist a Withdrawn Member or his estate or guardian, as the case may be, in the settlement of the Withdrawn Member's Capital Commitment Member Interest in the Company. Third party costs incurred by the Company in providing this assistance will be borne by the Withdrawn Member or his estate.

(i) The Company may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Members or their estates or guardians, as referred to above. In such instances, the Company will obtain the prior approval of a Withdrawn Member or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his estate or guardian) declines to incur such costs, the Company will provide such reasonable assistance as and when it can so as not to interfere with the Company's day-to-day operating, financial, tax and other related responsibilities to the Company and the Members.

(j) Each Member hereby irrevocably appoints the Managing Member as such Member's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file, on behalf of such Member, any and all agreements, instruments, documents and certificates which the Managing Member deems necessary or advisable in connection with any transaction or matter contemplated by or provided for in this Section 8.1, including, without limitation, the performance of any obligation of such Member or the Company or the exercise of any right of such Member or the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Company of any Member for any reason and shall not be affected by the death, disability or incapacity of such Member.

8.2. Transfer of Member's Capital Commitment Interest . Except as otherwise agreed by the Managing Member, no Member or former Member shall have the right to sell, assign, mortgage, pledge or otherwise dispose of or transfer (" Transfer ") all or part of any such Member's Capital Commitment Member Interest in the Company; provided , that this Section 8.2 shall in no way impair Transfers (i) as permitted in Section 8.1 above, in the case of the purchase of a Withdrawn Member's or deceased or Totally Disabled Member's Capital Commitment Interests, (ii) Transfers by a Member to another Member of Non- Contingent Capital Commitment Interests, (iii) Transfers of up to 25% of a Regular

Member's Capital Commitment Member Interest to an Estate Planning Vehicle and (iv) with the prior written consent of the Managing Member (which consent may be withheld without giving any reason therefor). No person acquiring an interest in the Company pursuant to this Section 8.2 shall become a Member of the Company, or acquire such Member's right to participate in the affairs of the Company, unless such person shall be admitted as a Member pursuant to Section 6.1. A Member shall not cease to be a Member of the Company upon the collateral assignment of, or the pledging or granting of a security interest in, its entire Interest in the Company in accordance with the provisions of this Agreement.

8.3. Compliance with Law . Notwithstanding any provision hereof to the contrary, no sale or Transfer of a Capital Commitment Interest in the Company may be made except in compliance with all Federal, state and other applicable laws, including Federal and state securities laws.

ARTICLE IX

DISSOLUTION

9.1. Dissolution .

(a) The Company shall be dissolved and subsequently terminated:

(i) pursuant to Section 6.6; or

(ii) upon the expiration of the Term.

9.2. Final Distribution . Upon the dissolution of the Company, and following the payment of creditors of the Company and the making of provisions for the payment of any contingent, conditional or unmatured claims known to the Company as required under the LLC Act:

(i) With respect to the GP-Related Member Interests of the Members, the Members' respective interests in the Company shall be valued and settled in accordance with the procedures set forth in Section 6.5 which provide for allocations to the GP-Related Capital Accounts of the Members and distributions in accordance with the GP-Related Capital Account balances of the Members; and

(ii) With respect to each Member's Capital Commitment Member Interest, an amount shall be paid to such Member in cash or Securities in an amount equal to such Member's respective Capital Commitment Liquidating Share for each Capital Commitment Investment; provided , that if the remaining assets relating to any Capital Commitment Investment shall not be equal to or exceed the aggregate Capital Commitment Liquidating Shares for such Capital Commitment Investment, to each Member in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Company related to the Members' Capital Commitment Member Interests shall be paid to the Members in cash or Securities in proportion to their respective Capital Commitment Profit Sharing Percentages for each Capital Commitment Investment from which such cash or Securities are derived.

The Managing Member shall be the liquidator. In the event that the Managing Member is unable to serve as liquidator, a liquidating trustee shall be chosen by the affirmative vote of a Majority in Interest of the Members voting at a meeting of Members (excluding Nonvoting Special Members).

9.3. Amounts Reserved Related to Capital Commitment Member Interests . (a) If there are any Securities or other property or other investments or securities related to the Members' Capital

Commitment Member Interests which, in the judgment of the liquidator, cannot be sold, or properly distributed in kind in the case of dissolution, without sacrificing a significant portion of the value thereof, the value of a Member's interest in each such Security or other investment or security may be excluded from the amount distributed to the Members participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2. Any interest of a Member, including his pro rata interest in any gains, losses or distributions, in Securities or other property or other investments or securities so excluded shall not be paid or distributed until such time as the liquidator shall determine.

(b) If there is any pending transaction, contingent liability or claim by or against the Company related to the Members' Capital Commitment Member Interests as to which the interest or obligation of any Member therein cannot, in the judgment of the liquidator, be then ascertained, the value thereof or probable loss therefrom may be deducted from the amount distributable to such Member pursuant to clause (ii) of Section 9.2. No amount shall be paid or charged to any such Member on account of any such transaction or claim until its final settlement or such earlier time as the liquidator shall determine. The Company may meanwhile retain from other sums due such Member in respect of such Member's Capital Commitment Member Interest an amount which the liquidator estimates to be sufficient to cover the share of such Member in any probable loss or liability on account of such transaction or claim.

(c) Upon determination by the liquidator that circumstances no longer require the exclusion of any Securities or other property or retention of sums as provided in paragraphs (a) and (b) of this Section 9.3, the liquidator shall, at the earliest practicable time, distribute as provided in clause (ii) of Section 9.2 such sums or such Securities or other property or the proceeds realized from the sale of such Securities or other property to each Member from whom such sums or Securities or other property were withheld.

ARTICLE X

MISCELLANEOUS

10.1. Submission to Jurisdiction; Waiver of Jury Trial .

(a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the Managing Member may bring, or may cause the Company to bring, on behalf of the Managing Member or the Company or on behalf of one or more Members, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Member (i) expressly consents to the application of paragraph (c) of this Section 10.1 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii)

irrevocably appoints the Managing Member as such Member's agent for service of process in connection with any such action or proceeding and agrees that service of process upon any such agent, who shall promptly advise such Member of any such service of process, shall be deemed in every respect effective service of process upon the Member in any such action or proceeding.

(c) (i) EACH MEMBER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 10.1, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the forum(s) designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 10.1 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 10.1 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq .) (the " *Delaware Arbitration Act* "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 10.1, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 10.1. In that case, this Section 10.1 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 10.1 shall be construed to omit such invalid or unenforceable provision.

10.2. Ownership and Use of the Company Name . The Company acknowledges that Blackstone Financial Services Inc. (" BFS "), a Delaware corporation with a principal place of business at 345 Park Avenue, New York, New York 10154, (or its successors or assigns) is the sole and exclusive owner of the mark and name BLACKSTONE and that the ownership of, and the right to use, sell or otherwise dispose of, the firm name or any abbreviation or modification thereof which consists of or includes BLACKSTONE, shall belong exclusively to BFS, which company (or its predecessors, successors or assigns) has licensed the Company to use BLACKSTONE in its name. The Company acknowledges that BFS owns the service mark BLACKSTONE for various services and that the Company is using the BLACKSTONE mark and name on a non-exclusive, non-sublicensable and non-assignable basis in connection with its business and authorized activities with the permission of BFS. All services rendered by the Company under the BLACKSTONE mark and name will be rendered in a manner and with quality levels that are consistent with the high reputation heretofore developed for the BLACKSTONE mark by BFS and its affiliates and licensees. The Company understands that BFS may terminate its right to use BLACKSTONE at any time in BFS sole discretion by giving the Company written notice of termination. Promptly following any such termination, the Company will take all steps necessary to change its company name to one which does not include BLACKSTONE or any confusingly similar term and cease all use of BLACKSTONE or any term confusingly similar thereto as a service mark or otherwise.

10.3. Written Consent . Any action required or permitted to be taken by a vote of Members at a meeting may be taken without a meeting if a Majority in Interest of the Members consent thereto in writing.

10.4. Letter Agreements; Schedules . The Managing Member may, or may cause the Company to, enter into separate letter agreements with individual Members, officers or employees with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages, benefits or any other matter, in each case on terms and conditions not inconsistent with this Agreement. The Managing Member may from time to time execute and deliver to the Members schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment Profit Sharing Percentages of the Members and any other matters deemed appropriate by the Managing Member. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever; provided , that this in no way limits the effectiveness of any Commitment Agreement.

10.5. Governing Law; Separability of Provisions . This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to principles of conflict of laws. In particular, the Company has been formed pursuant to the LLC Act, and the rights and liabilities of the Members shall be as provided therein, except as herein otherwise expressly provided. If any provision of this Agreement shall be held to be invalid, such provision shall be given its meaning to the maximum extent permitted by law and the remainder of this Agreement shall not be affected thereby.

10.6. Successors and Assigns . This Agreement shall be binding upon and shall, subject to the penultimate sentence of Section 6.3(a), inure to the benefit of the parties hereto, their respective heirs and personal representatives, and any successor to a trustee of a trust which is or becomes a party hereto; provided , that no person claiming by, through or under a Member (whether such Member's heir, personal representative or otherwise), as distinct from such Member itself, shall have any rights as, or in respect to, a Member (including the right to approve or vote on any matter or to notice thereof) except the right to receive only those distributions expressly payable to such person pursuant to Articles VI and VIII. Any Member or Withdrawn Member shall remain liable for the obligations under this Agreement (including any Net GP-Related Recontribution Amounts and any Capital Commitment Recontribution Amount) of any transferee of all or any portion of such Member's or Withdrawn Member's interest in the Company, unless waived by the Managing Member. The Company shall, if the Managing Member determine, in its good faith judgment, based on the standards set forth in Sections 5.8(d)(ii)(A) and 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Recontribution Amounts and/or Capital Commitment Recontribution Amounts) from the transferee with respect to any such obligations. Nothing in this Agreement is intended, nor shall anything herein be construed, to confer any rights, legal or equitable, on any person other than the Members and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, the provisions of Sections 5.8(d)(i) and (iii) shall inure to the benefit of the limited partners or other investors in BREP VI, and such limited partners or investors shall have the right to enforce the provisions thereof to the extent the Company does not otherwise do so.

10.7. Confidentiality . By executing this Agreement, each Member expressly agrees, at all times during the term of the Company and thereafter and whether or not at the time a Member of the Company, to maintain the confidentiality of, and not to disclose to any person other than the Company, another Member or a person designated by the Company, any information relating to the business, financial structure, financial position or financial results, clients or affairs of the Company that shall not be generally known to the public or the securities industry, except as otherwise required by law or by any regulatory or self-regulatory organization having jurisdiction; provided, that any corporate Member may disclose any such information it is required by law, rule, regulation or custom to disclose.

Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulation Section 1.6011-4(b)(3)(i), each Member (and any employee, representative or other agent of such Member) may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the Company, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Members or any existing or future investor (or any affiliate thereof) in any of the Members, or (b) any investment or transaction entered into by the Members; (2) any performance information relating to any of the Members or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Members, does not constitute such tax treatment or tax structure information.

10.8. Notices . Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including telecopy or similar writing) and shall be given to any Member at its address or telecopy number shown in the Company's books and records or, if given to the Managing Member, at the address of the Company provided herein. Each such notice shall be effective (i) if given by telecopy, upon dispatch, and (ii) if given by hand delivery, when delivered to the address of such Member or Managing Member specified as aforesaid.

10.9. Counterparts . This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute a single instrument.

10.10. Power of Attorney . Each Member hereby irrevocably appoints the Managing Member as such Member's true and lawful representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file all instruments, documents and certificates which, from time to time, may be required to set forth any amendment to this Agreement or may be required by this Agreement or by the laws of the United States of America, the State of Delaware or any other state in which the Company shall determine to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the subsequent Withdrawal from the Company of any Member for any reason and shall not be affected by the subsequent disability or incapacity of such Member.

10.11. Member's Will . Each Member and Withdrawn Member shall include in his or her will a provision that addresses certain matters in respect of his or her obligations relating to the Company that is satisfactory to the Managing Member and each such Member and Withdrawn Member shall confirm annually to the Company, in writing, that such provision remains in his current will. Where applicable, any estate planning trust of such Member or Withdrawn Member to which a portion of such Member's or Withdrawn Member's Interest is transferred shall include a provision substantially similar to such provision and the trustee of such trust shall confirm annually to the Company, in writing, that such provision or its substantial equivalent remains in such trust. In the event any Member or Withdrawn Member fails to comply with the provisions of this Section 10.11 after the Company has notified such Member or Withdrawn Member of his failure to so comply and such failure to so comply is not cured within 30 days of such notice, the Company may withhold any and all distributions to such Member until the time at which such party complies with the requirements of this Section 10.11.

10.12. Cumulative Remedies . Rights and remedies under this Agreement are cumulative and do not preclude use of other rights and remedies available under applicable law.

10.13. Legal Fees . Except as more specifically provided herein, in the event of a legal dispute (including litigation, arbitration or mediation) between any Member or Withdrawn Member and the Company, arising in connection with any party seeking to enforce Section 4.1 (d) or any other provision of this Agreement relating to the Holdback, the Clawback Amount, the GP-Related Giveback Amount, the

Capital Commitment Giveback Amount, the Net GP-Related Recontribution Amount or the Capital Commitment Recontribution Amount, the "losing" party to such dispute shall promptly reimburse the "victorious party" for all reasonable legal fees and expenses incurred in connection with such dispute (such determination to be made by the relevant adjudicator). Any amounts due under this Section 10.13 shall be paid within 30 days of the date upon which such amounts are due to be paid and such amounts remaining unpaid after such date shall accrue interest at the Default Interest Rate.

10.14. Entire Agreement. . This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. Subject to Section 10.4, this Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written. In the event that it is impracticable to obtain the signature of any of the Members to this Agreement, this Agreement shall be binding among the other Members executing the same.

MANAGING MEMBER:

BLACKSTONE HOLDINGS III L.P.

By: Blackstone Holdings III GP L.L.C.,
its General Partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Authorized Person

Exhibit 10.21

BLACKSTONE COMMUNICATIONS MANAGEMENT ASSOCIATES I L.L.C.

SECOND AMENDED & RESTATED LIMITED LIABILITY COMPANY AGREEMENT

DATED AS OF MAY 31, 2007

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ARTICLE VI

ADDITIONAL MEMBERS; WITHDRAWAL OF MEMBERS;
SATISFACTION AND DISCHARGE OF
COMPANY INTERESTS; TERMINATION

ARTICLE VII

MISCELLANEOUS

BLACKSTONE COMMUNICATIONS MANAGEMENT ASSOCIATES I L.L.C.

SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT of Blackstone Communications Management Associates I L.L.C. (the " Company "), dated as of May 31, 2007, by and among Blackstone Holdings III L.P., a Delaware limited partnership (the " Managing Member " or " Holdings "), the other members of the Company as provided on the signature pages hereto, and such other persons that are admitted to the Company as members after the date hereof in accordance herewith.

W I T N E S S E T H

WHEREAS, the Company was formed under the LLC Act (defined below) pursuant to a certificate of formation filed in the office of the Secretary of State of the State of Delaware on April 27, 2000;

WHEREAS, the original limited liability company agreement of the Company was executed as of April 11, 2000 (the " Original Operating Agreement ");

WHEREAS, the Original Operating Agreement was amended and restated in its entirety by the Amended and Restated Limited Liability Company Agreement, dated as of June 27, 2000, of the Company (as amended to date, the " First Amended and Restated Operating Agreement "); and

WHEREAS, the parties hereto now wish to amend and restate the First Amended and Restated Operating Agreement in its entirety as of the date hereof and more fully set forth below.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1. Definitions . Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Agreement:

" Agreement " means this Second Amended and Restated Limited Liability Company Agreement, as further amended and restated from time to time.

" Alternative Vehicle " means any investment vehicle or structure formed pursuant to paragraph 2.7 of the BCOM Partnership Agreement or any other "Alternative Vehicle" (as defined in any other BCOM Agreements).

" Applicable Collateral Percentage " shall have the meaning with respect to any Firm Collateral and any Special Firm Collateral, in each case, as set forth on the books and records of the Company with respect thereto.

" BCOM " is the collective reference to Blackstone Communications Partners I L.P., a Delaware limited partnership, and any Alternative Vehicle relating thereto.

" BCOMCA " means Blackstone Communications Capital Associates I L.P., a Delaware limited partnership and any other partnership or other entity with terms substantially similar to the terms of that partnership and formed after the date hereof in connection with the indirect participation by one or more partners thereof who receive Carried Interest.

" BCOM Agreements " is the collective reference to the BCOM Partnership Agreement and the similar agreements of any Alternative Vehicles.

" BCOMCA Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of BCOMCA, dated as of June 27, 2000, as it may be amended from time to time.

" BCOMCCP " means Blackstone Communications Capital Commitment Partners I L.P., a Delaware limited partnership and a limited partner in BCOM.

" BCOM Investment " means the Company's interest in a specific BCOM investment pursuant to the BCOM Partnership Agreement in its capacity as the general partner of BCOM, but does not include any direct investment by the Company on a side-by-side basis in any BCOM investment.

" BCOM Investments " is the collective reference to the BCOM Investments.

" BCOM Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Communications Partners I L.P., dated as of June 27, 2000, as it may be amended from time to time.

" BCP " means Blackstone Capital Partners L.P., a Delaware limited partnership, and any investment vehicle established in accordance with the terms of Blackstone Capital Partners L.P.'s partnership agreement to invest in lieu of Blackstone Capital Partners L.P. on behalf of one or more of the partners thereof.

" BCP II " means Blackstone Capital Partners II Merchant Banking Fund L.P., a Delaware limited partnership formerly known as Blackstone Domestic Capital Partners II L.P., Blackstone Offshore Capital Partners II L.P., a Cayman Islands exempted limited partnership, and any investment vehicle established pursuant to paragraph 2.7 of the respective partnership agreements of either of such partnerships.

" BCP III " is the collective reference to BDCP III, BOCP III and any other Parallel Fund.

" BDCP III " means Blackstone Capital Partners III Merchant Banking Fund L.P., a Delaware limited partnership, and any Alternative Vehicle (as defined in paragraph 2.7 of the BDCP III Partnership Agreement) relating thereto.

" BDCP III Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of Blackstone Capital Partners III Merchant Banking Fund, L.P., dated as of June 27, 1997, as it may be amended from time to time.

" BFCOMP " means Blackstone Family Communications Partnership I L.P., a Delaware limited partnership.

" Blackstone Capital Commitment " has the meaning set forth in the BCOM Partnership Agreement.

" Blackstone Co-Investment Rights " has the meaning set forth in the BCOM Partnership Agreement.

" BOCP III " means Blackstone Offshore Capital Partners III L.P., a Cayman Islands exempted limited partnership, and any Alternative Vehicle (as defined in the BOCP III Partnership Agreement or the BDCP III Partnership Agreement) related thereto.

" BOCP III Partnership Agreement " means the Amended and Restated Agreement of Limited Partnership of BOCP III, dated June 27, 1997, as it may be amended from time to time.

" Carried Interest " shall mean "Carried Interest Distributions" as defined in (i) the BCOM Partnership Agreement, and (ii) any other carried interest distribution to a Fund GP pursuant to any BCOM Agreement. In each case of (i) and (ii) above, except as determined by the Managing Member, the amount shall not be less any costs, fees and expenses of the Partnership with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership that are anticipated with respect thereto (in each case which the Managing Member may allocate amongst all or any portion of the Investments as it determines in good faith is appropriate).

" Carried Interest Give Back Percentage " shall mean, for any Member or Withdrawn Member, subject to Section 5.7(e), the percentage determined by dividing (A) the aggregate amount of distributions received by such Member or Withdrawn Member from the Company or any Other Fund GPs in respect of Carried Interest by (B) the aggregate amount of distributions made to all Members, Withdrawn Members or any other person by the Company or any Other Fund GP in respect of Carried Interest. For purposes of determining "Carried Interest Give Back Percentage" hereunder, all Trust Amounts contributed to the Trust by the Company or any Other Fund GPs on behalf of a Member or Withdrawn Member (but not the Trust Income thereon) shall be deemed to have been initially distributed or paid to the Members and Withdrawn Members as members of the Company or any of the Other Fund GPs.

" Carried Interest Sharing Percentage " means, with respect to each Investment, the percentage interest of a Member in Carried Interest from such Investment set forth in the books and records of the Company.

" Cause " means the occurrence or existence of any of the following with respect to any Member, as determined fairly, reasonably, on an informed basis and in good faith by the Managing Member: (i) (w) any breach by any Member of any provision of any non-competition agreement, (x) any material breach of this Agreement or any rules or regulations applicable to such Member that are established by the Managing Member, (y) such Member's deliberate failure to perform his or her duties to the Company, or (z) such Member's committing to or engaging in any conduct or behavior that is or may be harmful to the Company in a material way as determined by the Managing Member; *provided*, that in the case of any of the foregoing clauses (w), (x), (y) and (z), the Managing Member has given such Member written notice (a "Notice of Breach") within fifteen days after the Managing Member becomes aware of such action and such Member fails to cure such breach, failure to perform or conduct or behavior within fifteen days after receipt of such Notice of Breach from the Managing Member (or such longer period, not to exceed an additional fifteen days, as shall be reasonably required for such cure, provided that such Member is diligently pursuing such cure); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Company; or (iii) conviction (on the basis of a trial or by an accepted plea of guilty or *nolo contendere*) of a felony or crime (including any misdemeanor charge involving moral turpitude, false statements or misleading omissions, forgery, wrongful taking, embezzlement, extortion or bribery), or a determination by a court of competent jurisdiction, by a regulatory body or by a self-regulatory body having authority with respect to securities laws, rules or regulations of the applicable securities industry, that such Member individually has violated any applicable securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body (including, without limitation, any licensing requirement), if such conviction or determination has a

material adverse effect on (A) such Member's ability to function as a Member of the Company, taking into account the services required of such Member and the nature of the Company's business, or (B) the business of the Company.

" Charitable Organization " means an organization described in Section 170(c) of the Code (without regard to Section 170(c)(2)(A) thereof).

" Class A Interest " has the meaning set forth in Section 5.7(a).

" Class B Interest " has the meaning set forth in Section 5.7(a).

" Clawback Amount " shall mean the "Clawback Amount" as set forth in Article One of the BCOM Partnership Agreement and any other clawback amount payable to the limited partners of BCOM pursuant to any BCOM Agreement, as applicable.

" Clawback Provisions " shall mean paragraph 9.2.8 of the BCOM Partnership Agreement and any other similar provisions in any other BCOM Agreement existing heretofore or hereafter formed.

" Code " means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute. Any reference herein to a particular provision of the Code shall mean, where appropriate, the corresponding provision in any successor statute.

" Commitment Agreements " means the agreements between the Company and the Members pursuant to which each Member undertakes certain obligations, including the obligation to make capital commitments pursuant to Section 4.1 hereof. The Commitment Agreements are hereby incorporated by reference as between the Company and the relevant Member.

" Company " has the meaning set forth in the preamble hereto.

" Contingent " means subject to repurchase rights and/or other requirements.

" Deceased Member " shall mean any Member or Withdrawn Member who has died or who suffers from Incompetence. For purposes hereof, references to a Deceased Member shall refer collectively to the Deceased Member and the estate and heirs or legal representative of such Deceased Member, as the case may be, that have received such Deceased Member's interest in the Company.

" Defaulting Party " has the meaning set forth in Section 5.7(d)(ii)(A).

" Default Interest Rate " shall mean the lower of (i) the sum of (a) the rate of interest per annum publicly announced from time to time by The Chase Manhattan Bank, a New York banking corporation, as its prime rate and (b) 5%, and (ii) the highest rate of interest permitted under applicable law.

" Deficiency Contribution " has the meaning set forth in Section 5.7(d)(ii)(A).

" Disposable Investment " has the meaning set forth in Section 5.7(a).

" Estate Planning Vehicle " has the meaning set forth in Section 6.3.

" Excess Holdback " has the meaning set forth in Section 4.1(d)(v)(A).

" Excess Holdback Percentage " has the meaning set forth in Section 4.1(d)(v)(A).

" Existing Member " shall mean any Member who is neither a Retaining Withdrawn Member nor a Deceased Member.

" Firm Collateral " shall mean a Member's or Withdrawn Member's interest in one or more partnerships or limited liability companies, in either case affiliated with the Company, and certain other assets of such Member or Withdrawn Member, in each case that has been pledged or made available to the Trustee(s) to satisfy all or any portion of the Excess Holdback of such Member or Withdrawn Member as more fully described on the books and records of the Company hereto; provided, that for all purposes hereof (and any other agreement (i.e., the Trust Agreement) that incorporates the meaning of the term "Firm Collateral" by reference), references to "Firm Collateral" shall include "Special Firm Collateral", excluding references to "Firm Collateral" in Section 4.1(d)(v) and Section 4.1(d)(viii) hereto.

" Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(v)(B) with respect to Firm Collateral, and Section 4.1(d)(viii)(B) with respect to Special Firm Collateral.

" Fiscal Year " shall mean a calendar year, or any other period chosen by the Managing Member.

" GAAP " has the meaning specified in Section 5.1(b).

" Giveback Amount " shall mean the aggregate of the "Investment Related Giveback Amount" and "Other Giveback Amount" as such terms are defined in the BCOM Agreements.

" Giveback Provisions " shall mean paragraph 3.4.3 of the BCOM Partnership Agreement and any other similar provisions in any other BCOM Agreement existing heretofore or hereafter formed.

" Holdback " has the meaning set forth in Section 4.1(d)(i).

" Holdback Percentage " has the meaning set forth in Section 4.1(d)(i).

" Holdback Vote " has the meaning set forth in Section 4.1(d)(iv)(A).

" Holdings " has the meaning set for in the preamble hereto.

" Incompetence " means, with respect to any Member, the determination by the Managing Member in its sole discretion, after consultation with a qualified medical doctor, that such Member is incompetent to manage his person or his property.

" Inflation Index " means (i) the GNP deflator, which is the fixed-weighted price index representing the average change in the United States gross national product as published in the Survey of Current Business by the National Income and Wealth Division of the Bureau of Economic Analysis of the U.S. Department of Commerce, or (ii) such other index measuring changes in economic prices in the United States as shall be selected by the Managing Member.

" Initial Holdback Percentages " has the meaning set forth in Section 4.1(d)(i).

" Interest " means a limited liability company interest (as defined in § 18-101(8) of the LLC Act) in the Company, including those that are held by a Retaining Withdrawn Member.

" Investment " means any investment (direct or indirect) of the Company designated by the Managing Member from time to time as an investment in which the Members' respective interests shall be established and accounted for on a basis separate from the Company's other businesses, activities and investments, any BCOM Investments.

" Investor Special Member " means and any Special Member so designated at the time of its admission by the Managing Member as a Member of the Company.

" L/C " has the meaning set forth in Section 4.1(d)(vi).

" L/C Member " has the meaning set forth in Section 4.1(d)(vi).

" LLC Act " means the Delaware Limited Liability Company Act, 6 Del.C. § 18-101, et seq., as it may be amended from time to time, and any successor to such statute.

" Losses " has the meaning set forth in Section 3.5(b).

" Majority in Interest of the Members " on any date (a "vote date") means one or more persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date and who, as of the last day of the most recent accounting period ending on or prior to the vote date (or as of such later date on or prior to the vote date selected by the Managing Member as of which the Members' capital account balances can be determined), have aggregate capital account balances representing at least a majority in amount of the total capital account balances of all the persons who are Members (including the Managing Member but excluding Nonvoting Special Members) on the vote date.

" Member " means any person who is a member of the Company, including the Managing Member, the Regular Members and the Special Members. Except as otherwise specifically provided herein, no group of Members, including the Special Members and any group of Members in the same Member Category, shall have any right to vote as a class on any matter relating to the Company, including, but not limited to, any merger, reorganization, dissolution or liquidation.

" Member Category " shall mean the Managing Member, Existing Members, Retaining Withdrawn Members or Deceased Members, each referred to as a group for purposes hereof.

" Moody's " means Moody's Investors Services, Inc., or any successor thereto.

" Net Income (Loss) " has the meaning set forth in Section 5.1(b).

" Net Recontribution Amount " has the meaning set forth in Section 5.7(d)(i)(A) .

" Non-Carried Interest " means, with respect to each Investment, all amounts of distributions, other than Carried Interest, received by the Company with respect to such Investment, less any costs, fees and expenses of the Company with respect thereto and less reasonable reserves for payment of costs, fees and expenses of the Company that are anticipated with respect thereto, in each case which the Managing Member may allocate to all or any portion of the Investments as it may determine in good faith is appropriate.

" Non-Carried Interest Sharing Percentage " means, with respect to each Investment, the percentage interest of a Member in Non-Carried Interest from such Investment set forth in the books and records of the Company.

" Non-Contingent " means generally not subject to repurchase rights or other requirements.

" Nonvoting Special Member " has the meaning set forth in Section 6.1(a).

" Other Fund GPs " means any entity through which any Member or Withdrawn Member directly receives any amounts of Carried Interest and any successor thereto; provided, that this includes BCOMCA and any other entity which has in its organizational documents a provision which indicates that it is a "Fund GP" or an "Other Fund GP"; provided further, that notwithstanding any of the foregoing, none of the general partners of BCOMCA, any estate planning vehicle established for the benefit of family members of any Member nor any partner of BCOMCA shall be considered a "Fund GP" for purposes hereof.

" Parallel Fund " means any additional collective investment vehicles (or other similar arrangements) formed pursuant to paragraph 2.8 of the BDCP III Partnership Agreement or paragraph 2.8 of the BOCP III Partnership Agreement.

" Profit Sharing Percentage " means the "Carried Interest Sharing Percentage" and "Non-Carried Interest Sharing Percentage" of each Member; provided, that any references in this Agreement to Profit Sharing Percentages made (a) in connection with voting or voting rights or (b) capital contributions with respect to Investments (including Section 5.3(d)) shall mean the "Non-Carried Interest Sharing Percentage" of each Member; provided further, that any reference in this Agreement to Profit Sharing Percentages that specifically refers to Net Income unrelated to BCOM shall continue to refer to the amount of each Member's percentage interest in a category of Net Income (Loss) established by the Managing Member from time to time pursuant to Section 5.3.

" Qualifying Fund " means any fund designated by the Managing Member as a "Qualifying Fund".

" Recontribution Amount " has the meaning set forth in Section 5.7(d)(i)(A).

" Regular Member " shall mean any Member, excluding the Managing Member and any Special Member.

" Required Amount " has the meaning set forth in Section 4.1(a).

" Required Rating " has the meaning set forth in Section 4.1(d)(vi).

" Retaining Withdrawn Member " shall mean a Withdrawn Member who has retained an Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Member shall be considered a Special Nonvoting Member for all purposes hereof.

" Settlement Date " has the meaning set forth in Section 6.5(a).

" SMD Agreements " means the agreements between the Company and/or one or more of its affiliates and the Members, pursuant to which each Member undertakes certain obligations with respect to the Company and/or its affiliates. The SMD Agreements are hereby incorporated by reference as between the Company and the relevant Member.

" Special Firm Collateral " means interests in a Qualifying Fund or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) as more fully described on the books and records of the Company hereto.

" Special Firm Collateral Realization " has the meaning set forth in Section 4.1(d)(viii)(B).

" Special Member " means any person shown on the books and records of the Company as a Special Member of the Company, including any Nonvoting Special Member, and any Investor Special Member.

" S&P " means Standard & Poor's Ratings Group, and any successor thereto.

" Subject Member " has the meaning set forth in Section 4.1(d)(iv)(A) of this Agreement.

" Total Disability " means the inability of a Member substantially to perform the services required of a Regular Member for a period of six consecutive months by reason of physical or mental illness or incapacity and whether arising out of sickness, accident or otherwise.

" Trust Account " has the meaning set forth in the Trust Agreement.

" Trust Agreement " means the Trust Agreement, dated as June 27, 2000, as amended to date, among the Members, the Trustee(s) and certain other persons that may receive distributions in respect of Carried Interest from time to time, as amended from time to time.

" Trust Amount " has the meaning set forth in the Trust Agreement.

" Trust Income " has the meaning set forth in the Trust Agreement.

" Trustee(s) " has the meaning set forth in the Trust Agreement.

" Unallocated Percentage " has the meaning set forth in Section 5.3(b).

" Unrealized Net Income (Loss) " attributable to any BCOM Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such BCOM Investment if BCOM's entire portfolio of investments were sold on such date for cash in an amount equal to their aggregate value on such date (determined in accordance with Section 5.1(e)) and all distributions payable by BCOM to the Company pursuant to the BCOM Agreements with respect to such BCOM Investment were made on such date. "Unrealized Net Income (Loss)" attributable to any other Investment as of any date means the Net Income (Loss) that would be realized by the Company with respect to such Investment if such Investment were sold on such date for cash in an amount equal to its value on such date (determined in accordance with Section 5.1(e)).

" Withdraw " or " Withdrawal " with respect to a Member means a Member ceasing to be a member of the Company for any reason (including death, disability, removal, resignation or retirement, whether such is voluntary or involuntary), unless the context shall limit the type of withdrawal to a specific reason, and "Withdrawn" with respect to a Member means, as aforesaid, a Member who has ceased to be a member of the Company.

" Withdrawal Date " has the meaning set forth in Section 6.5(a).

" Withdrawn Member " has the meaning set forth in Section 6.5(a).

1.2. Terms Generally. The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The term "person" includes individuals, partnerships (including limited liability partnerships), companies (including limited liability companies), joint ventures, corporations, trusts, governments (or agencies or political subdivisions thereof) and other associations and entities. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

ARTICLE II

GENERAL PROVISIONS

2.1. Managing, Regular and Special Members. (a) The Members may be Managing Members, Regular Members or Special Members (including Investor Special Members).

2.2. Formation; Name; Foreign Jurisdictions. The Company is hereby continued as a limited liability company pursuant to the LLC Act and shall continue to conduct its activities under the name of Blackstone Communications Management Associates I L.L.C. The certificate of formation of the Company may be amended and/or restated from time to time by the Managing Member, as an "authorized person" (within the meaning of the LLC Act). Each Member is further authorized to deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

2.3. Term. The term of the Company shall continue June 27, 2050, unless earlier dissolved and its affairs wound up in accordance with this Agreement.

2.4. Purpose; Powers. (a) The purpose of the Company shall be, directly or indirectly through subsidiaries or affiliates, to (i) serve as a general partner of BCOM and perform the functions of general partner specified in the BCOM Agreements, (ii) serve as a general partner or limited partner of other partnerships, including Alternative Vehicles, (iii) serve as the general partner of BFCOMP and perform the functions of the general partner specified in BFCOMP's partnership agreement, and serve as the general partner of BCOMCCP and perform the functions of the general partner specified in BCOMCCP's partnership agreement, (iv) carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the Managing Member and as are permitted under the LLC Act and the BCOM Partnership Agreement, and (v) do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purpose, the Company shall have all powers necessary, suitable or convenient for the accomplishment of its purposes, alone or with others, as principal or agent, including the following:

(i) to buy, sell and otherwise acquire investments, whether such investments are readily marketable or not;

(ii) to invest and reinvest the cash assets of the Company in money-market or other short-term investments;

(iii) to hold, receive, mortgage, pledge, lease, transfer, exchange or otherwise dispose of, grant options with respect to, and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to, all property held or owned by the Company;

(iv) to borrow or raise money from time to time and to issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable and non-negotiable instruments and evidences of indebtedness, to secure payment of the principal of any such indebtedness and the interest thereon by mortgage, pledge, conveyance or assignment in trust of, or the granting of a security interest in, the whole or any part of the property of the Company, whether at the time owned or thereafter acquired, to guarantee the obligations of others and to buy, sell, pledge or otherwise dispose of any such instrument or evidence of indebtedness;

(v) to lend any of its property or funds, either with or without security, at any legal rate of interest or without interest;

(vi) to have and maintain one or more offices within or without the State of Delaware, and in connection therewith, to rent or acquire office space, engage personnel and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(vii) to open, maintain and close accounts, including margin accounts, with brokers;

(viii) to open, maintain and close bank accounts and draw checks and other orders for the payment of moneys;

(ix) to engage accountants, auditors, custodians, investment advisers, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate any of them as may be necessary or advisable;

(x) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, to form or cause to be formed and to participate in partnerships and joint ventures, whether foreign or domestic and to form or cause to be formed and be a member or manager or both of one or more limited liability companies;

(xi) to enter into, make and perform all contracts, agreements and other undertakings as may be necessary, convenient, advisable or incident to carrying out its purposes;

(xii) to sue and be sued, to prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment to claims against the Company, and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xiii) to distribute, subject to the terms of this Agreement, at any time and from time to time to the Members cash or investments or other property of the Company, or any combination thereof; and

(xiv) to take such other actions necessary, desirable, convenient or incidental thereto and to engage in such other businesses as may be permitted under Delaware law.

2.5. Place of Business . The Company shall maintain a registered office at The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801. The Company shall maintain an office and principal place of business at such place or places as the Managing Member specifies from time to time and as set forth in the books and records of the Company. The name and address of the Company's registered agent is The Corporation Trust Company, 1209 Orange Street, New Castle County, Wilmington, Delaware 19801.

ARTICLE III

MANAGEMENT

3.1. Managing Member. (a) Holdings shall be an original managing member (the " Managing Member "). The Managing Member shall cease to be the Managing Member only if it (i) Withdraws from the Company for any reason, (ii) consents in its sole discretion to resign as the Managing Member, or (iii) becomes the subject of a Final Event. The Managing Member may not be removed without its consent. There may be one or more Managing Members. In the event that one or more other Managing Members is admitted to the Company as such, all references herein to the "Managing Member" in the singular form shall be deemed to also refer to such other Managing Members as may be appropriate. The relative rights and responsibilities of such Managing Members will be as agreed upon from time to time between them.

(b) Upon the Withdrawal from the Company or voluntary resignation of the remaining Managing Member, all of the powers formerly vested therein pursuant to this Agreement and the LLC Act shall be exercised by a Majority in Interest of the Members.

3.2. Member Voting, etc. (a) Meetings of the Members shall be held only when called by the Managing Member.

(b) Except for the voting rights of Special Members (other than Nonvoting Special Members) pursuant to paragraph (a) above or as otherwise expressly provided herein and except as may be expressly required by the LLC Act, Special Members as such shall have no right to, and shall not, take part in the management or control of the Company's business or act for or bind the Company, and shall have only the rights and powers granted to Special Members herein.

(c) To the extent any Member is entitled to vote with respect to any matter relating to the company, such Member shall not be obligated to abstain from voting on any such matter (or vote in any particular manner) because of any interest (or conflict of interest) of such Member (or any affiliate thereof) in such matter.

3.3. Management. The Company and the formulation and execution of business and investment policy shall be vested in the Managing Member. The Managing Member shall, in its discretion, exercise all powers necessary and convenient for the purposes of the Company, including those enumerated in Section 2.4, on behalf and in the name of the Company. All decisions and determinations (howsoever described herein) to be made by the Managing Member pursuant to this Agreement shall be made in its sole discretion, subject only to the express terms and conditions of this Agreement.

3.4. Responsibilities of Members.

(a) Unless otherwise determined by the Managing Member in a particular case, each Regular Member shall devote substantially all his time and attention to the businesses of the Company and its affiliates, and each Special Member shall not be required to devote any time or attention to the businesses of the Company or its affiliates.

(b) All outside business or investment activities of the Members shall be subject to such rules and regulations as are established by the Managing Member from time to time.

(c) The Managing Member may from time to time establish such other rules and regulations applicable to Members or other employees as the Managing Member deems appropriate, including rules governing the authority of Members or other employees to bind the Company to financial commitments or other obligations.

3.5. Exculpation and Indemnification. (a) Liability to Members . Notwithstanding any other provision of this Agreement, whether express or implied, to the fullest extent permitted by law, no Member nor any of such Member's representatives, agents or advisors nor any partner, member, officer, employee, representative, agent or advisor of the Company or any of its Affiliates (individually, a "Covered Person" and collectively, the " Covered Persons ") shall be liable to the Company or any other Member for any act or omission (in relation to the Company, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) taken or omitted by a Covered Person unless there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interests of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful. Each Covered Person shall be entitled to rely in good faith on the advice of legal counsel to the Company, accountants and other experts or professional advisors, and no action taken by any Covered Person in reliance on such advice shall in any event subject such person to any liability to any Member or the Company. To the extent that, at law or in equity, a Member has duties (including fiduciary duties) and liabilities relating thereto to the Company or to another Member, to the fullest extent permitted by law, such Member acting under this Agreement shall not be liable to the Company or to any such other Member for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they expand or restrict the duties and liabilities of a Member otherwise existing at law or in equity, are agreed by the Members, to the fullest extent permitted by law, to modify to that extent such other duties and liabilities of such Member.

(b) Indemnification . To the fullest extent permitted by law, the Company shall indemnify and hold harmless (but only to the extent of the Company's assets (including, without limitation, the remaining Commitments of the Members) each Covered Person from and against any and all claims, damages, losses, costs, expenses and liabilities (including, without limitation, amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and legal or other costs and reasonable expenses of investigating or defending against any claim or alleged claim), joint and several, of any nature whatsoever, known or unknown, liquidated or unliquidated (collectively, " Losses "), arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of such Covered Person's management of the affairs of the Company or which relate to or arise out of or in connection with the Company, its property, its business or affairs; provided, that a Covered Person shall not be entitled to indemnification under this Section with respect to any claim, issue or matter if there is a final and non-appealable judicial determination and/or determination of an arbitrator that such Covered Person did not act in good faith and in what such Covered Person reasonably believed to be in, or not opposed to, the best interest of the Company and within the authority granted to such Covered Person by this Agreement, and, with respect to any criminal act or proceeding, had reasonable cause to believe that such Covered Person's conduct was unlawful; provided further, that if such Covered Person is a Member or a Withdrawn Member, such Covered Person shall bear its share of such Losses in accordance with such Covered Person's Profit Sharing Percentage in the Company as of the time of the actions or omissions that gave rise to such Losses. To the fullest extent permitted by law, expenses (including legal fees) incurred by a Covered Person (including, without limitation, the Managing Member) in defending any claim, demand, action, suit or proceeding may, with the approval of the Managing Member, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of a written

undertaking by or on behalf of the Covered Person to repay such amount to the extent that it shall be subsequently determined that the Covered Person is not entitled to be indemnified as authorized in this Section, and the Company and its Affiliates shall have a continuing right of offset against such Covered Person's interests/investments in the Company and such Affiliates and shall have the right to withhold amounts otherwise distributable to such Covered Person to satisfy such repayment obligation. If a Member institutes litigation against a Covered Person which gives rise to an indemnity obligation hereunder, such Member shall be responsible, up to the amount of such Member's Interests and remaining Commitment, for such Member's pro rata share of the Company's expenses related to such indemnity obligation, as determined by the Managing Member. The Company may purchase insurance, to the extent available at reasonable cost, to cover losses, claims, damages or liabilities covered by the foregoing indemnification provisions. Members will not be personally obligated with respect to indemnification pursuant to this Section.

ARTICLE IV

CAPITAL OF THE COMPANY

4.1. Capital Contributions by Members. (a) Except as agreed by the Managing Member and a Regular Member, such Regular Member shall not be required to make capital contributions to the Company at such times and in such amounts as are required to fund the Company's capital contribution in respect of any BCOM Investment (the " Required Amount ") and as are otherwise determined by the Managing Member from time to time; provided, that additional capital contributions in excess of the Required Amounts may be made pro rata among the Regular Members based upon each Regular Member's Carried Interest Sharing Percentage. Capital Contributions which are to be used for ongoing business operations (as distinct from financing, legal or other specific liabilities of the Company (including those specifically set forth in Sections 4.1(d) and 5.7(d)) shall be determined by the Managing Member. Special Members shall not be required to make additional capital contributions to the Company in excess of the Required Amounts, except (i) as a condition of an increase in such Special Member's Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the Managing Member and any Special Member may agree from time to time that such Special Member may make an additional capital contribution to the Company; provided further, that each Investor Special Member shall maintain its capital account at a level equal to the product of (i) its Profit Sharing Percentage from time to time and (ii) the total capital of the Company.

(b) Each capital contribution by a Member shall be credited to the appropriate capital account of such Member in accordance with Section 5.2.

(c) The Managing Member may elect on a case by case basis to (i) cause the Company to loan any Member (including any additional Member admitted to the Company pursuant to Section 6.1 other than those who are executive officers of The Blackstone Group L.P.) the amount of any capital contribution required to be made by such Member or (ii) permit any Member (including any additional Member admitted to the Company pursuant to Section 6.1) to make a required capital contribution to the Company in installments, in each case on terms determined by the Managing Member.

(d)(i) The Members and the Withdrawn Members have entered into the Trust Agreement, pursuant to which certain amounts of Carried Interest will be paid to the Trustee(s) for deposit in the Trust Account (such amounts to be paid to the Trustee(s) for deposit in the Trust Account constituting a " Holdback "). The Managing Member shall determine, as set forth below, the percentage of Carried Interest that shall be withheld for each Member Category (such withheld percentage constituting such Member Category's " Holdback Percentage "). The applicable Holdback Percentages initially shall be 0% for the Managing Member, 15% for Existing Members (other than the Managing Member), 21% for Retaining Withdrawn Members and 24% for Deceased Members (the " Initial Holdback Percentages ").

(ii) The Holdback Percentage may not be reduced for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may only reduce the Holdback Percentages among the Member Categories on a proportionate basis. For example, if the Holdback Percentage for Existing Members is decreased to 12.5%, the Holdback Percentage for Retaining Withdrawn Members and Deceased Members shall be reduced to 17.5% and 20%, respectively. Any reduction in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such reduction.

(iii) The Holdback Percentage may not be increased for any individual Member as compared to the other Members in his Member Category (except as provided in clause (iv) below). The Managing Member may not increase the Retaining Withdrawn Members' Holdback Percentage beyond 21% unless the Managing Member concurrently increases the Existing Members' Holdback Percentage to the Holdback Percentage of the Retaining Withdrawn Members. The Managing Member may not increase the Deceased Members' Holdback Percentage beyond 24% unless the Managing Member increases the Holdback Percentage for both Existing Members and Retaining Withdrawn Members to 24%. The Managing Member may not increase the Holdback Percentage of any Member Category beyond 24% unless such increase applies equally to all Member Categories. Any increase in the Holdback Percentage for any Member shall apply only to distributions relating to Carried Interest made after the date of such increase. The foregoing shall in no way prevent the Managing Member from proportionately increasing the Holdback Percentage of any Member Category (following a reduction of the Holdback Percentages below the Initial Holdback Percentages), if the resulting Holdback Percentages are consistent with the above. For example, if the Managing Member reduces the Holdback Percentages for Existing Members, Retaining Withdrawn Members and Deceased Members to 12.5%, 17.5% and 20%, respectively, the Managing Member shall have the right to subsequently increase the Holdback Percentages to the Initial Holdback Percentages.

(iv)(A) Notwithstanding anything contained herein to the contrary, the Company may increase or decrease the Holdback Percentage for any Member in any Member Category (in such capacity, the " Subject Member ") pursuant to a majority vote of the Regular Members (a " Holdback Vote "); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to the Managing Member shall not be increased or decreased without its prior written consent; provided further, that a Subject Member's Holdback Percentage shall not be (I) increased prior to such time as such Subject Member (x) is notified by the Company of the decision to increase such Subject Member's Holdback Percentage and (y) has, if requested by such Subject Member, been given 30 days to gather and provide information to the Company for consideration before a second Holdback Vote (requested by the Subject Member) and (II) decreased unless such decrease occurs subsequent to an increase in a Subject Member's Holdback Percentage pursuant to a Holdback Vote under this clause (iv); provided further, that such decrease shall not exceed an amount such that such Subject Member's Holdback Percentage is less than the prevailing Holdback Percentage for the Member Category of such Subject Member; provided further, that a Member shall not vote to increase a Subject Member's Holdback Percentage unless such voting Member determines, in his good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Member, or any of his successors or assigns (including his estate or heirs) who at the time of such vote holds the Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Company meeting. Each Regular Member shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Regular Member's interest in the Company. Such vote may be cast by any Regular Member in person or by proxy.

(C) If the result of the second Holdback Vote is an increase in a Subject Member's Holdback Percentage, such Subject Member may submit the decision to an arbitrator, the identity of which is mutually agreed upon by both the Subject Member and the Company; provided, that if the Company and the Subject Member cannot agree upon a mutually satisfactory arbitrator within 10 days of the second Holdback Vote, each of the Company and the Subject Member shall request their candidate for arbitrator to select a third arbitrator satisfactory to such candidates; provided further, that if such candidates fail to agree upon a mutually satisfactory arbitrator within 30 days of such request, the then sitting President of the American Arbitration Association shall unilaterally select the arbitrator. Each Subject Member that submits the decision of the Company pursuant to the second Holdback Vote to arbitration and the Company shall estimate their reasonably projected out-of-pocket expenses relating thereto, and each such party shall, to the satisfaction of the arbitrator and prior to any determination being made by the arbitrator, pay the total of such estimated expenses (i.e., both the Subject Member's and the Company's expenses) into an escrow account to be controlled by Simpson Thacher & Bartlett LLP, as escrow agent (or such other comparable law firm as the Company and Subject Member may agree). The arbitrator shall direct the escrow agent to pay out of such escrow account all expenses associated with such arbitration (including costs leading thereto) and to return to the "victorious" party the entire amount of funds such party paid into such escrow account. If the amount contributed to the escrow account by the losing party is insufficient to cover the expenses of such arbitration, such "losing" party shall then provide any additional funds necessary to cover such costs to such "victorious" party. For purposes hereof, the "victorious" party shall be the Company if the Holdback Percentage ultimately determined by the arbitrator is closer to the percentage determined in the second Holdback Vote than it is to the prevailing Holdback Percentage for the Subject Member's Member Category; otherwise, the Subject Member shall be the "victorious" party. The party that is not the "victorious" party shall be the "losing" party.

(D) In the event of a decrease in a Subject Member's Holdback Percentage (1) pursuant to a Holdback Vote under this clause (iv) or (2) pursuant to a decision of an arbitrator under paragraph (C) of this clause (iv), the Company shall release and distribute to such Subject Member any Trust Amounts (and the Trust Income thereon (except as expressly provided herein with respect to using Trust Income as Firm Collateral)) which exceed the required Holdback of such Subject Member (in accordance with such Subject Member's reduced Holdback Percentage) as though such reduced Holdback Percentage had applied since the increase of the Subject Member's Holdback Percentage pursuant to a previous Holdback Vote under this clause (iv).

(v)(A) If a Member's Holdback Percentage exceeds 15% (such percentage in excess of 15% constituting the " Excess Holdback Percentage "), such Member may satisfy the portion of his Holdback obligation in respect of his Excess Holdback Percentage (such portion constituting such Member's " Excess Holdback "), and such Member (or a Withdrawn Member with respect to amounts contributed to the Trust Account while he was a Member), to the extent his Excess Holdback obligation has previously been satisfied in cash, may obtain the release of the Trust Amounts (but not the Trust Income thereon which may remain in the Trust Account and

allocated to such Member or Withdrawn Member) satisfying such Member's or Withdrawn Member's Excess Holdback obligation, by pledging or otherwise making available to the Company, on a first priority basis (except as provided below), all or any portion of his Firm Collateral in satisfaction of his Excess Holdback obligation. Any Member seeking to satisfy all or any portion of the Excess Holdback utilizing Firm Collateral may sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Company to realize on (if required), such Firm Collateral; provided, that in the case of asset categories (3), (5) and (6) on the books and records of the Company hereto, to the extent a first priority security interest is unavailable because of an existing lien on such Firm Collateral, the Member or Withdrawn Member seeking to utilize such Firm Collateral shall grant the Company a second priority security interest therein in the manner provided above; provided further, that (x) in the case of asset categories (3), (5) and (6) on the books and records of the Company hereto, to the extent that neither a first priority nor a second priority security interest is available, or (y) if the Managing Member otherwise determines in its good faith judgment that a security interest in Firm Collateral (and the corresponding documents and actions) are not necessary or appropriate, the Member or Withdrawn Member shall (in the case of either clause (x) or (y) above) irrevocably instruct in writing the relevant partnership, limited liability company or other entity listed on Company's books and records to remit any and all net proceeds resulting from a Firm Collateral Realization on such Firm Collateral to the Trustee(s) as more fully provided in clause (B) below. The Company shall, at the request of any Member or Withdrawn Member, assist such Member or Withdrawn Member in taking such action necessary to enable such Member or Withdrawn Member to use Firm Collateral as provided hereunder.

(B) If upon a sale or other realization of all or any portion of any Firm Collateral (a " Firm Collateral Realization "), the remaining Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement, then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Firm Collateral Realization (including distributions subject to the repayment of financing sources like in the case of asset categories (3), (5) and (6) on the books and records of the Company hereto) shall be paid into the Trust Account to fully satisfy such Excess Holdback requirement (allocated to such Member or Withdrawn Member) and shall be deemed to be Trust Amounts for purposes hereunder. Any net proceeds from such Firm Collateral Realization in excess of the amount necessary to satisfy such Excess Holdback requirement shall be distributed to such Member or Withdrawn Member.

(C) Upon any valuation or revaluation of Firm Collateral that results in a decreased valuation of such Firm Collateral so that such Firm Collateral is insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement (including upon a Firm Collateral Realization, if net proceeds therefrom and the remaining Firm Collateral are insufficient to cover any Member's or Withdrawn Member's Excess Holdback requirement), the Company shall provide notice of the foregoing to such Member or Withdrawn Member and such Member or Withdrawn Member shall, within 30 days of receiving such notice, contribute cash (or additional Firm Collateral) to the Trust Account in an amount necessary to satisfy his Excess Holdback requirement. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.7(d)(ii) shall apply thereto; provided, that clause (A) of the first sentence of Section 5.7(d)(ii) shall be deemed inapplicable to a default under this clause (C); provided further, that for purposes of applying Section 5.7(d)(ii) to a default under this clause (C): (I) the term "Defaulting Party" where such term appears in such Section

5.7(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.7(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(vi) Any Member or Withdrawn Member may (A) obtain the release of any Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) or Firm Collateral, in each case, held in the Trust Account for the benefit of such Member or Withdrawn Member or (B) require the Company to distribute all or any portion of amounts otherwise required to be placed in the Trust Account (whether cash or Firm Collateral), by obtaining a letter of credit (an " L/C ") for the benefit of the Trustee(s) in such amounts. Any Member or Withdrawn Member choosing to furnish an L/C to the Trustee(s) (in such capacity, an " L/C Member ") may deliver to the Trustee(s) an unconditional and irrevocable L/C from a commercial bank whose (x) short-term deposits are rated at least A-1 by S&P and P-1 by Moody's (if the L/C is for a term of 1 year or less), or (y) long-term deposits are rated at least A+ by S&P or A1 by Moody's (if the L/C is for a term of 1 year or more) (each a " Required Rating "). If the relevant rating of the commercial bank issuing such L/C drops below the relevant Required Rating, the L/C Member shall supply to the Trustee(s), within 30 days of such occurrence, a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, in lieu of the insufficient L/C. In addition, if the L/C has a term expiring on a date earlier than the latest possible termination date of BCOM, the Trustee(s) shall be permitted to drawdown on such L/C if the L/C Member fails to provide a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating, at least 30 days prior to the stated expiration date of such existing L/C. The Trustee(s) shall notify an L/C Member 10 days prior to drawing on any L/C. The Trustee(s) may (as directed by the Company in the case of clause (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Member's obligation relating to the Company's obligations under the Clawback Provisions or (II) an L/C Member has not provided a new L/C from a commercial bank whose relevant rating is at least equal to the relevant Required Rating (or the requisite amount of cash and/or Firm Collateral (to the extent permitted hereunder)), at least 30 days prior to the stated expiration of an existing L/C in accordance with this clause (vi). The Trustee(s), as directed by the Company, shall return to any L/C Member his L/C upon (1) the termination of the Trust Account and satisfaction of the Company's obligations, if any, in respect of the Clawback Provisions, (2) an L/C Member satisfying his entire Holdback obligation in cash and Firm Collateral (to the extent permitted hereunder), or (3) the release, by the Trustee(s), as directed by the Company, of all amounts in the Trust Account to the Members or Withdrawn Members. If an L/C Member satisfies a portion of his Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the Company, release a portion of the amounts in the Trust Account to the Members or Withdrawn Members in the Member Category of such L/C Member, the L/C of an L/C Member may be reduced by an amount corresponding to such portion satisfied in cash and/or Firm Collateral (to the extent permitted hereunder) or such portion released by the Trustee(s), as directed by the Company; provided, that in no way shall the general release of any Trust Income cause an L/C Member to be permitted to reduce the amount of an L/C by any amount.

(vii)(A) Any in-kind distributions by the Company relating to Carried Interest shall be made in accordance herewith as though such distributions consisted of cash. The Company may direct the Trustee(s) to dispose of any in-kind distributions held in the Trust Account at any time. The net proceeds therefrom shall be treated as though initially contributed to the Trust Account.

(B) In lieu of the foregoing, any Existing Member may pledge with respect to any in-kind distribution the Special Firm Collateral referred to in asset category 5 in he Company's books and records; provided, that the initial contribution of such Special Firm Collateral shall initially equal 113% of the required Holdback Amount. Paragraphs 4.1(d)(viii)(C) and (D) shall apply to such Special Firm Collateral. To the extent such Special Firm Collateral exceeds 113% of the required Holdback Amount, the related Member may obtain a release of such excess amount from the Trust Account.

(viii)(A) Any Regular Member or Withdrawn Member may satisfy all or any portion of his Holdback (excluding any Excess Holdback), and such Member or a Withdrawn Member may, to the extent his Holdback (excluding any Excess Holdback) has been previously been satisfied in cash or by the use of an L/C as provided herein, obtain a release of Trust Amounts (but not the Trust Income thereon which shall remain in the Trust Account and allocated to such Member or Withdrawn Member) that satisfy such Member's or Withdrawn Member's Holdback (excluding any Excess Holdback) by pledging to the Trustee(s) on a first priority basis all of his Special Firm Collateral, which at all times must equal or exceed the amount of the Holdback distributed to the Member or Withdrawn Member (as more fully set forth below). Any Member seeking to satisfy such Member's Holdback utilizing Special Firm Collateral shall sign such documents and otherwise take such other action as is necessary or appropriate (in the good faith judgment of the Managing Member) to perfect a first priority security interest in, and otherwise assure the ability of the Trustee(s) to realize on (if required), such Special Firm Collateral.

(B) If upon a distribution, withdrawal, sale, liquidation or other realization of all or any portion of any Special Firm Collateral (a " Special Firm Collateral Realization "), the remaining Special Firm Collateral (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund and is being used in connection with an Excess Holdback) is insufficient to cover any Member's or Withdrawn Member's Holdback (when taken together with other means of satisfying the Holdback as provided herein (i.e., cash contributed to the Trust Account or an L/C in the Trust Account)), then up to 100% of the net proceeds otherwise distributable to such Member or Withdrawn Member from such Special Firm Collateral Realization (which shall not include the amount of Firm Collateral that consists of a Qualifying Fund or other asset and is being used in connection with an Excess Holdback) shall be paid into the Trust (and allocated to such Member or Withdrawn Member) to fully satisfy such Holdback and shall be deemed thereafter to be Trust Amounts for purposes hereunder. Any net proceeds from such Special Firm Collateral Realization in excess of the amount necessary to satisfy such Holdback (excluding any Excess Holdback) shall be distributed to such Member or Withdrawn Member. To the extent a Qualifying Fund distributes Securities to a Member or Withdrawn Member in connection with a Special Firm Collateral Realization, such Member or Withdrawn Member shall be required to promptly fund such Member's or Withdrawn Member's deficiency with respect to his Holdback in cash or an L/C.

(C) Upon any valuation or revaluation of the Special Firm Collateral and/or any adjustment in the Applicable Collateral Percentage applicable to a Qualifying Fund (as provided in the Company's books and records), if such Member's or Withdrawn Member's Special Firm Collateral is valued at less than such Member's Holdback (excluding any Excess Holdback) as provided in the Company's books and records, taking into account other permitted means of satisfying the Holdback hereunder, the Company shall provide notice of the foregoing to such Member or Withdrawn Member and, within at least 10 business days of receiving such notice, such Member or Withdrawn Member shall contribute cash or additional Special Firm Collateral to the

Trust Account in an amount necessary to make up such deficiency. If any such Member or Withdrawn Member defaults upon his obligations under this clause (C), then Section 5.7(d)(ii) shall apply thereto; provided, that the first sentence of Section 5.7(d)(ii) shall be deemed inapplicable to such default; provided further, that for purposes of applying Section 5.7(d)(ii) to a default under this clause (C): (I) the term " Defaulting Party " where such term appears in such Section 5.7(d)(ii) shall be construed as "defaulting party" for purposes hereof and (II) the terms "Net Recontribution Amount" and "Recontribution Amount" where such terms appear in such Section 5.7(d)(ii) shall be construed as the amount due pursuant to this clause (C).

(D) Upon a Member becoming a Withdrawn Member, at any time thereafter the Managing Member shall revoke the ability of such Withdrawn Member to use Special Firm Collateral as set forth in this Section 4.1(d)(viii), notwithstanding anything else in this Section 4.1(d)(viii). In that case the provisions of clause (C) above shall apply to the Withdrawn Member's obligation to satisfy the Holdback (except that 30 day's notice of such revocation shall be given), given that the Special Firm Collateral is no longer available to satisfy any portion of the Holdback (excluding any Excess Holdback).

(E) Nothing in this Section 4.1(d)(viii) shall prevent any Member or Withdrawn Member from using any amount of such Member's interest in a Qualifying Fund as Firm Collateral; provided that at all times Section 4.1(d)(v) and this Section 4.1(d)(viii) are each satisfied.

4.2. Interest . Interest on the balances of the Members' capital (excluding capital invested in Investments and, if deemed appropriate by the Managing Member, capital invested in any other investment of the Company) shall be credited to the Members' capital accounts at the end of each accounting period pursuant to Section 5.2, or at any other time as determined by the Managing Member, at rates determined by the Managing Member from time to time, and shall be charged as an expense of the Company.

4.3. Withdrawals of Capital . The Members may not withdraw capital from the Company except (i) for distributions of cash or other property pursuant to Section 5.7, (ii) as otherwise expressly provided in this Agreement or (iii) as determined by the Managing Member.

ARTICLE V

PARTICIPATION IN PROFITS AND LOSSES

5.1. General Accounting Matters . (a) Net Income (Loss) shall be determined by the Managing Member at the end of each accounting period and shall be allocated as described in Section 5.4.

(b) "Net Income (Loss)" from any activity of the Company for any accounting period means (i) the gross income realized by the Company from such activity during such accounting period less (ii) all expenses of the Company, and all other items that are deductible from gross income, for such accounting period that are allocable to such activity (determined as provided below). "Net Income (Loss)" from any Investment for any accounting period in which such Investment has not been sold or otherwise disposed of means (i) the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) all expenses of the Company for such accounting period that are allocable to such Investment (determined as provided below). "Net Income (Loss)" from any Investment for the accounting period in which such Investment is sold or otherwise disposed of means (i) the sum of the gross proceeds from the sale or other disposition of such

Investment and the gross amount of dividends, interest or other income received by the Company from such Investment during such accounting period less (ii) the sum of the cost or other basis to the Company of such Investment and all expenses of the Company for such accounting period that are allocable to such Investment. Net Income (Loss) shall be determined in accordance with the accounting method used by the Company for U.S. federal income tax purposes with the following adjustments: (i) any income of the Company that is exempt from U.S. federal income taxation and not otherwise taken into account in computing Net Income (Loss) shall be added to such taxable income or loss; (ii) if any asset has a value on the books of the Company that differs from its adjusted tax basis for U.S. federal income tax purposes, any depreciation, amortization or gain resulting from a disposition of such asset shall be calculated with reference to such value; (iii) upon an adjustment to the value of any asset on the books of the Company pursuant to Regulation Section 1.704-1(b)(2), the amount of the adjustment shall be included as gain or loss in computing such taxable income or loss; (iv) any expenditures of the Company not deductible in computing taxable income or loss, not properly capitalizable and not otherwise taken into account in computing Net Income (Loss) pursuant to this definition shall be treated as deductible items; (v) any income from an Investment that is payable to Company employees in respect of "phantom interests" in such Investment awarded by the Managing Member to employees shall be included as an expense in the calculation of Net Income (Loss) from such Investment, and (vi) items of income and expense (including interest income and overhead and other indirect expenses) of the Company, Holdings and other affiliates of the Company shall be allocated among the Company, Holdings and such affiliates, among various Company activities and Investments and between accounting periods, in each case as determined by the Managing Member. The Managing Member may adjust Net Income (Loss) as it deems appropriate from time to time, including adjustments for items of income accrued but not yet received, unrealized gains, items of expense accrued but not yet paid, unrealized losses, reserves (including reserves for bad debts, actual or threatened litigation, or any other expenses, contingencies or obligations) and other appropriate items shall be made in accordance with U.S. generally accepted accounting principles (" GAAP "); provided, that the Managing Member shall not be required to make any such adjustment.

(c) An accounting period shall be a Fiscal Year, except that, at the option of the Managing Member, an accounting period will terminate and a new accounting period will begin on the admission date of an additional Member or the Settlement Date of a Withdrawn Member, if any such date is not the first day of a Fiscal Year. If any event referred to in the preceding sentence occurs and the Managing Member does not elect to terminate an accounting period and begin a new accounting period, then the Managing Member may make such adjustments as it deems appropriate to the Members' Profit Sharing Percentages for the accounting period in which such event occurs (prior to any allocations of Unallocated Percentages or adjustments to Profit Sharing Percentages pursuant to Section 5.3) to reflect the Members' average Profit Sharing Percentages during such accounting period; provided, that the Profit Sharing Percentages of Members in Net Income (Loss) from Investments acquired during such accounting period will be based on Profit Sharing Percentages in effect when each such Investment was acquired.

(d) In establishing Profit Sharing Percentages and allocating Unallocated Percentages pursuant to Section 5.3, the Managing Member may consider such factors as it deems appropriate, including the Members' respective capital account balances, and Profit Sharing Percentages to be paid or allocated to Members by Holdings or other affiliates of the Company (in whatever capacity) and the performance and contribution to the Company of such Member.

(e) All determinations, valuations and other matters of judgment required to be made for accounting purposes under this Agreement shall be made by the Managing Member and approved by the Company's independent accountants. Such approved determinations, valuations and other accounting matters shall be conclusive and binding on all Members, all Withdrawn Members, their successors, heirs, estates or legal representatives and any other person, and to the fullest extent permitted by law no such person shall have the right to an accounting or an appraisal of the assets of the Company or any successor thereto.

5.2. Capital Accounts . (a) There shall be established for each Member on the books of the Company, to the extent and at such times as may be appropriate, one or more capital accounts as the Managing Member may deem to be appropriate for purposes of accounting for such Member's interests in the capital and Net Income (Loss) of the Company.

(b) As of the end of each accounting period or, in the case of a contribution to the Company by one or more of the Members or a distribution by the Company to one or more of the Members, at the time of such contribution or distribution, (i) the appropriate capital accounts of each Member shall be credited with the following amounts: (A) the amount of cash and the value of any property contributed by such Member to the capital of the Company during such accounting period, (B) the Net Income allocated to such Member for such accounting period and (C) the interest credited on the balance of such Member's capital for such accounting period pursuant to Section 4.3; and (ii) the appropriate capital accounts of each Member shall be debited with the following amounts: (x) the amount of cash, the principal amount of any subordinated promissory note of the Company referred to in Section 6.5(k) and the value of any property distributed to such Member during such accounting period and (y) the Net Loss allocated to such Member for such accounting period.

5.3. Profit Sharing Percentages . (a) Prior to the beginning of each annual accounting period, the Managing Member shall establish the profit sharing percentage (the " Profit Sharing Percentage ") of each Member in each category of Net Income (Loss) for such annual accounting period pursuant to Section 5.1(a) taking into account such factors as the Managing Member deems appropriate, including those referred to in Section 5.1(d); provided, that (i) the Managing Member may elect to establish Profit Sharing Percentages in Net Income (Loss) from any Investment acquired by the Company during such accounting period at the time such Investment is acquired in accordance with paragraph (d) below and (ii) Net Income (Loss) for such accounting period from any Investment shall be allocated in accordance with the Profit Sharing Percentages in such Investment established in accordance with paragraph (d) below. The Managing Member may establish different Profit Sharing Percentages for any Member in different categories of Net Income (Loss). In the case of the Withdrawal of a Member, such former Member's Profit Sharing Percentages shall be allocated by the Managing Member to one or more of the remaining Members (who may be comprised of or include the Managing Member) as the Managing Member shall determine. Unless and until allocated by the Managing Member, such former Member's Profit Sharing Percentages shall be deemed to be Unallocated Percentages. In the case of the admission of any Member to the Company as an additional Member, the Profit Sharing Percentages of the other Members shall be reduced by an amount equal to the Profit Sharing Percentage allocated to such new Member pursuant to Section 6.1(b); such reduction of each other Member's Profit Sharing Percentage shall be pro rata based upon such Member's Profit Sharing Percentage as in effect immediately prior to the admission of the new Member. Notwithstanding the foregoing, the Managing Member may also adjust the Profit Sharing Percentage of any Member for any annual accounting period at the end of such annual accounting period in its discretion.

(b) The Managing Member may elect to allocate to the Members less than 100% of the Profit Sharing Percentages of any category for any annual accounting period at the time specified in Section 5.3(a) for the annual fixing of Profit Sharing Percentages (any remainder of such Profit Sharing Percentages being called an " Unallocated Percentage "). Any Unallocated Percentage for any annual accounting period may be allocated by the Managing Member at such later times and to such Members as the Managing Member shall determine; provided, that any Unallocated Percentage in any category of Net Income (Loss) for any annual accounting period that is not allocated by the Managing Member within 90 days after the end of such accounting period shall be deemed to be allocated among all Members

(including the Managing Member) with previously allocated Profit Sharing Percentages in such category of Net Income (Loss) proportionately in accordance with such previously allocated Profit Sharing Percentages.

(c) Notwithstanding the foregoing provisions hereof, (i) the Profit Sharing Percentage of any other Investor Special Member shall be as established at the time of its admission to the Company, in each case except as may be adjusted on a basis consistent with the adjustment of other Members' Profit Sharing Percentages by reason of the admission or Withdrawal of a Member or by reason of the election by the Managing Member pursuant to Section 5.3(b) to allocate to the Members less than 100% of the Profit Sharing Percentages and (ii) the allocation of any item of Net Income (Loss) to an Investor Special Member expressed as a percentage of its share of total capital at such time shall never exceed the allocation of such items of Net Income (Loss) to the related Regular Member at such time expressed as a percentage of his total capital at such time.

(d) Unless otherwise determined by the Managing Member in a particular case, (i) Profit Sharing Percentages in Net Income (Loss) from any Investment shall be allocated in proportion to the Members' respective capital contributions in respect of such Investment and (ii) Profit Sharing Percentages in Net Income (Loss) from each Investment shall be fixed at the time such Investment is acquired and shall not thereafter change, subject to any repurchase or other requirements established by the Managing Member pursuant to Section 5.7.

5.4. Allocations of Net Income (Loss) . (a) Except as provided in Sections 5.4(d) and 5.4(e), Net Income of the Company for each Investment shall be allocated to the Capital Accounts related to such Investment of all the Members participating in such Investment (including the Managing Member): first, in proportion to and to the extent of the amount of Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest distributed to the Members; second, to Members that received Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest in years prior to the years such Net Income are being allocated to the extent such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest exceeded Net Income allocated to such Members in such earlier years; and third, to the Members in the same manner that such Non-Carried Interest (other than amounts representing a return of capital contributions) or Carried Interest would have been distributed if cash were available to distribute with respect thereto.

(b) Net Loss of the Company shall be allocated as follows: (i) Net Loss relating to realized losses suffered by BCOM and allocated to the Company with respect to its pro rata share thereof (based on capital contributions made to BCOM) shall be allocated to the Members in accordance with each Member's Non-Carried Interest Sharing Percentage (subject to adjustment pursuant to Section 5.7(e)) with respect to the Investment giving rise to such loss suffered by BCOM and (ii) Net Loss relating to realized losses suffered by BCOM and allocated to the Company with respect to the Carried Interest shall be allocated in accordance with a Member's (including Withdrawn Member's) Carried Interest Give Back Percentage (as of the date of such loss);

(c) Notwithstanding Section 5.4(a) above, Net Income relating to Carried Interest allocated after the allocation of a Net Loss pursuant to clause (ii) of Section 5.4(b) shall be allocated in accordance with such Carried Interest Give Back Percentages until such time as the Members have been allocated Net Income relating to Carried Interest equal to the aggregate amount of Net Loss previously allocated in accordance with clause (ii) of Section 5.4(b). Withdrawn Members shall remain Members for purposes of allocating such Net Loss with respect to Carried Interest.

(d) To the extent the Company has any Net Income (Loss) for any accounting period unrelated to BCOM, such Net Income (Loss) will be allocated in accordance with Profit Sharing Percentages prevailing at the beginning of such accounting period, except as provided in Section 5.4(e).

(e) Notwithstanding any other provision of this Agreement, the Managing Member may from time to time determine that Net Income (Loss) attributable to any Excluded Item will not be allocated among the Members in accordance with their respective Profit Sharing Percentages of the appropriate category at the time such Net Income (Loss) attributable to such Excluded Item is realized, but will be allocated among the Members in accordance with their respective Profit Sharing Percentages of the appropriate category at such other time as the Managing Member deems appropriate (for example, at the time the asset giving rise to the Excluded Item was acquired, the liability giving rise to the Excluded Item was incurred or arose, the transaction giving rise to the Excluded Item occurred or the Excluded Item accrued). The Managing Member may authorize from time to time advances to Members against their allocable shares of Net Income (Loss).

5.5. Liability of Members . Except as otherwise provided in the LLC Act or as expressly provided in this Agreement, no Member shall be personally obligated for any debt, obligation or liability of the Company or of any other Member solely by reason of being a Member. In no event shall any member or Withdrawn Member (i) be obligated to make any capital contribution or payment to or on behalf of the Company or (ii) have any liability to return distributions received by such Member from the Company, in each case except as specifically provided in Sections 4.1(d) or otherwise in this Agreement, as such Member shall otherwise expressly agree in writing or as may be required by applicable law.

5.6. Repurchase Rights, etc . The Managing Member may from time to time establish such repurchase rights and/or other requirements with respect to the Members' Interests relating to BCOM Investments as the Managing Member may determine. The Managing Member shall have authority to (a) withhold any distribution otherwise payable to any Member until any such repurchase rights have lapsed or any such requirements have been satisfied, (b) pay any distribution to any Member that is Contingent as of the distribution date and require the refund of any portion of such distribution that Contingent as of the Withdrawal Date of such Member, (c) amend any previously established repurchase rights or other requirements from time to time and (d) make such exceptions thereto as it may determine on a case by case basis.

5.7. Distributions . (a) The Company shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Members at such times and in such amounts as are determined by the Managing Member. Subject to Section 5.7(e), distributions of cash or other property with respect to Non-Carried Interest shall be made among the Members in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d), distributions of cash or other property with respect to Carried Interest shall be made among Members in accordance with their respective Carried Interest Sharing Percentages. At any time that a sale, exchange, transfer or other disposition by BCOM of a portion of an Investment is being considered by the Company (a " Disposable Investment "), at the election of the Managing Member each Member's Interest with respect to such Investment shall be vertically divided into two separate Interests, an Interest attributable to the Disposable Investment (a Member's " Class B Interest "), and an Interest attributable to such Investment excluding the Disposable Investment (a Member's " Class A Interest "). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BCOM) relating to a Disposable Investment (with respect to both Carried Interest and Non-Carried Interest) shall be made only to holders of Class B Interests with respect to such Investment in accordance with their Profit Sharing Percentages relating to such Class B Interests, and distributions (including those resulting from the sale, transfer, exchange or the disposition by BCOM) relating to an Investment excluding such Disposable

Investment (with respect to both Carried Interest and Non-Carried Interests) shall be made only to holders of Class A Interests with respect to such Investment in accordance with their respective Profit Sharing Percentages relating to such Class A Interests. Distributions of cash or other property with respect to each category of Net Income (Loss) shall be allocated among the Members in the same proportions as the allocations of Net Income (Loss) of each such category. The Managing Member may distribute to the Members (including the Managing Member and any other Investor Special Member) at any time interests in investments of the Company as it shall determine.

(b) The Company shall make cash distributions to each Member with respect to each Fiscal Year in an aggregate amount at least equal to the total Federal, New York State and New York City income and other taxes that would be payable by such Member with respect to all categories of Net Income (Loss) allocated to such Member for such Fiscal Year, the amount of which shall be calculated (i) on the assumption that each Member is an individual subject to the then prevailing maximum Federal, New York State and New York City income tax rates, (ii) taking into account the deductibility of state and local income and other taxes for Federal income tax purposes and (iii) taking into account any differential in applicable rates due to the type and character of Net Income (Loss) allocated to such Member. Notwithstanding the provisions of the foregoing sentence, the Managing Member may refrain from making any distribution if such distribution is prohibited by § 18-607 of the LLC Act.

(c) The Managing Member may provide that a Member or employee (including such Member's or employee's right to distributions and investments of the Company related thereto) may be subject to repurchase by the Company during such period as the Managing Member shall determine (a "Repurchase Period"). Any Contingent distributions from investments subject to repurchase rights requirements will be withheld by the Company and will be distributed to the recipient thereof (together with interest thereon at rates determined by the Managing Member from time to time) as the recipient's rights to such distributions become Non-Contingent (by virtue of the expiration of the applicable Repurchase Period or otherwise). The Managing Member may elect in an individual case to have the Company distribute any Contingent distribution to the applicable recipient thereof irrespective of whether the applicable Repurchase Period has lapsed. If a Member Withdraws from the Company for any reason other than his death, Total Disability or Incompetence, the undistributed share of any investment that remains Contingent as of the applicable Withdrawal Date shall be repurchased by the Company at a purchase price to be determined at such time by the Managing Member. Unless determined otherwise by the Managing Member, the repurchased portion thereof will be allocated among the remaining Members with interests in such investment in proportion to their respective percentage interests in such investment, or if no other Member has a percentage interest in such specific investment, to the Managing Member; provided , that the Managing Member may allocate the Withdrawn Member's share of unrealized investment income from a repurchased investment attributable to the period after the Withdrawn Member's Withdrawal Date on any basis it may determine, including to existing or new Members who did not previously have interests in such investment, except that, in any event, each Investor Special Member shall be allocated a share of such unrealized investment income equal to its respective Profit Sharing Percentage of such unrealized investment income.

(d)(i) (A) If the Company is obligated under the Clawback Provisions or Giveback Provisions to contribute a Clawback Amount or Giveback Amount to BCOM, the Company shall call for such amounts as are necessary to satisfy such obligations as determined by the Managing Member, in which case each Member and Withdrawn Member shall contribute to the Company, in cash, when and as called by the Company, such an amount of prior distributions by the Company (and the Other Fund GPs) with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the " Recontribution Amount ") which equals (I) the product of (a) a Member's or Withdrawn Member's Carried Interest Give Back Percentage and (b) the aggregate Clawback Amount payable by the Company in the case of Clawback Amounts and (II) with respect to a Giveback, such Member's pro rata share of

prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the BCOM Investment giving rise to the Giveback Amount, (b) if the amounts contributed pursuant to clause (II)(a) above are insufficient to satisfy such Giveback Amount, BCOM Investments other than the one giving rise to such obligation, but only those amounts received by the Members with an interest in the BCOM Investment referred to in clause (II)(a) above and (c) if the Giveback Amount is unrelated to a specific BCOM Investment, all BCOM Investments. Each Member and Withdrawn Member shall promptly contribute to the Company, along with satisfying his comparable obligations to the Other Fund GPs, if any, upon such call such Member's or Withdrawn Member's Recontribution Amount, less the amount paid out of the Trust Account on behalf of such Member or Withdrawn Member by the Trustee(s) pursuant to written instructions from the Company, or if applicable, any of the Other Fund GPs with respect to Carried Interest (and/or Non-Carried Interest in the case of Giveback Amounts) (the " Net Recontribution Amount "), irrespective of the fact that the amounts in the Trust Account may be sufficient on an aggregate basis to satisfy the Company's and the Other Fund GPs' obligation under the Clawback Provisions and/or Giveback Provisions; provided, that to the extent a Member's or Withdrawn Member's share of the amount paid with respect to the Clawback Amount or the Giveback Provisions exceeds his Recontribution Amount, such excess shall be repaid to such Member or Withdrawn Member as promptly as reasonably practicable, subject to clause (ii) below; provided further, that such written instructions from the Company shall specify each Member's and Withdrawn Member's Recontribution Amount. Prior to such time, the Company may, in its discretion (but shall be under no obligation to), provide notice that in the Company's judgment, the potential obligations in respect of the Clawback Provisions or the Giveback Provisions will probably materialize (and an estimate of the aggregate amount of such obligations); provided further, that any amount from a Member's Trust Account used to pay any Giveback Amount (or such lesser amount as may be required by the Managing Member) shall be contributed by such Member to such Member's Trust Account no later than 30 days after the Net Recontribution Amount is paid with respect to such Giveback.

(B) To the extent any Member or Withdrawn Member has satisfied any Holdback obligation with Firm Collateral, such Member or Withdrawn Member shall, within 10 days of the Company's call for Recontribution Amounts, make a cash payment into the Trust Account in an amount equal to the amount of the Holdback obligation satisfied with such Firm Collateral, or such lesser amount such that the amount in the Trust Account allocable to such Member or Withdrawn Member equals the sum of (I) such Member's or Withdrawn Member's Recontribution Amount and (II) any similar amounts payable to any of the Other Fund GPs. Immediately upon receipt of such cash, the Trustee(s) shall take such steps necessary to release such Firm Collateral of such Member or Withdrawn Member equal to the amount of such cash payment. If the amount of such cash payment is less than the amount of Firm Collateral of such Member or Withdrawn Member, the balance of such Firm Collateral if any, shall be retained to secure the payment of Deficiency Contributions, if any, and shall be fully released upon the satisfaction of the Company's and the Other Fund GPs' obligation to pay the Clawback Amount. The failure of any Member or Withdrawn Member to make a cash payment in accordance with this clause (B) (to the extent applicable) shall constitute a default under Section 5.7(d)(ii) as if such cash payment hereunder constitutes a Net Recontribution Amount under Section 5.7(d)(ii).

(ii)(A) In the event any Member or Withdrawn Member (a " Defaulting Party ") fails to recontribute all or any portion of such Defaulting Party's Net Recontribution Amount for any reason, the Company shall require all other Members and Withdrawn Members to contribute, on a pro rata basis (based on each of their respective Carried Interest Give Back Percentages in the case of Clawback Amounts, and Profit Sharing Percentages in the case of Giveback Amounts (as more fully described in clause (II) of Section 5.7(d)(i)(A) above)), such amounts necessary to

fulfill the Defaulting Party's obligation to pay such Defaulting Party's Net Recontribution Amount (a " Deficiency Contribution ") if the Managing Member determines in its good faith judgment that the Company will be unable to collect such amount in cash from such Defaulting Party for payment of the Clawback Amount or Giveback Amount, as the case may be, at least 20 Business Days prior to the latest date that the Company, and the Other Fund GPs, if applicable, are permitted to pay the Clawback Amount or Giveback Amount, as the case may be; provided, that, subject to Section 5.7(e), no Member shall as a result of such Deficiency Contribution be required to contribute an amount in excess of 150% of the amount of the Net Recontribution Amount initially requested from such Member in respect of such default. Thereafter, the Managing Member shall determine in its good faith judgment that the Company should either (1) not attempt to collect such amount in light of the costs associated therewith, the likelihood of recovery and any other factors considered relevant in the good faith judgment of the Managing Member or (2) pursue any and all remedies (at law or equity) available to the Company against the Defaulting Party, the cost of which shall be a Company expense to the extent not ultimately reimbursed by the Defaulting Member. It is agreed that the Company shall have the right (effective upon such Defaulting Party becoming a Defaulting Party) to set-off as appropriate and apply against such Defaulting Party's Net Recontribution Amount any amounts otherwise payable to the Defaulting Party by the Company or any other affiliate thereof (including amounts unrelated to Carried Interest, such as returns of capital and profit thereon). Each Member and Withdrawn Member hereby grants to the Company a security interest, effective upon such Member or Withdrawn Member becoming a Defaulting Party, in all accounts receivable and other rights to receive payment from any affiliate of the Company and agrees that, upon the effectiveness of such security interest, the Company may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member and Withdrawn Member hereby appoints the Company as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Member or Withdrawn Member or in the name of the Company, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Company shall be entitled to collect interest on the Net Recontribution Amount of a Defaulting Party from the date such Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(B) Any Member's or Withdrawn Member's failure to make a Deficiency Contribution shall cause such Member or Withdrawn Member to be a Defaulting Party with respect to such amount. The Company shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Member or Withdrawn Member to satisfy such Member's or Withdrawn Member's obligation to make a Deficiency Contribution before seeking cash contributions from such Member or Withdrawn Member in satisfaction of such Member's or Withdrawn Member's obligation to make a Deficiency Contribution.

(iii) A Member or Withdrawn Member's obligation to make contributions to the Company under this Section 5.7(d) shall survive the termination of the Company.

(e) The Members acknowledge that the Managing Member will (and are hereby authorized to) take such steps as it deems appropriate, in its good faith, to further the objective of providing for the fair and equitable treatment of all Members, including by allocating Writedowns and Losses (as defined in the BCOM Agreements) on BCOM Investments that have been the subject of a Writedown and/or Losses (each, a "Loss Investment") to those Members who participated in such Loss Investments based on their Carried Interest Sharing Percentage therein to the extent that such Members receive or have received Carried Interest Distributions from other BCOM Investments. Consequently and notwithstanding anything herein to the contrary, adjustments to Carried Interest Distributions shall be made as set forth in this Section 5.7(e).

(i) At the time the Company is making Carried Interest Distributions in connection with a BCOM Investment (the "Subject Investment") that have been reduced under the BCOM Agreements as a result of one or more Loss Investments, the Managing Member shall calculate amounts distributable to or due from each such Member as follows:

(A) determine each Member's share of each such Loss Investment based on his Carried Interest Sharing Percentage in each such Loss Investment (which may be zero) to the extent such Loss Investment has reduced the Carried Interest Distributions otherwise available for distribution to all Members (indirectly through the Company from BCOM) from the Subject Investment (such reduction, the "Loss Amount");

(B) determine the amount of Carried Interest Distributions otherwise distributable to such Member with respect to the Subject Investment (indirectly through the Company from BCOM) before any reduction in respect of the amount determined in clause (A) above (the "Unadjusted Carried Interest Distributions"); and

(C) subtract (I) the Loss Amounts relating to all Loss Investments from (II) the Unadjusted Carried Interests Distributions for such Member, to determine the amount of Carried Interest Distributions to actually be paid to such Member ("Net Carried Interest Distribution").

To the extent that the Net Carried Interest Distribution for a Member as calculated in this clause (i) is a negative number, the Managing Member shall (I) notify such Member, at or prior to the time such Carried Interest Distributions are actually made to the Members, of his obligation to recontribute to the Company prior Carried Interest Distributions (a "Net Carried Interest Distribution Recontribution Amount"), up to the amount of such negative Net Carried Interest Distribution, and (II) to the extent amounts recontributed pursuant to clause (I) are insufficient to satisfy such negative Net Carried Interest Distribution Amount, reduce future Carried Interest Distributions otherwise due such Member, up to the amount of such remaining negative Net Carried Interest Distribution. If a Member's (x) Net Carried Interest Distribution Recontribution Amount exceeds (y) the aggregate amount of prior Carried Interest Distributions less the amount of tax thereon, calculated based on the Assumed Tax Rate (as defined in the BCOM Agreements) in effect in the Fiscal Years of such distributions (the "Excess Tax-Related Amount"), then such Member may, in lieu of paying such Member's Excess Tax-Related Amount, defer such amounts as set forth below. Such deferred amount shall accrue interest at the Prime Rate. Such deferred amounts shall be reduced and repaid by the amount of Carried Interest otherwise distributable to such Member in connection with future Carried Interest Distributions until such balance is reduced to zero. Any deferred amounts shall be payable in full upon the earlier of (i) such time as the Clawback is determined (as provided herein) and (ii) such time as the Member becomes a Withdrawn Member.

To the extent there is an amount of negative Net Carried Interest Distribution with respect to a Member remaining after the application of this clause (i), notwithstanding clause (II) of the preceding paragraph, such remaining amount of negative Net Carried Interest Distribution shall be allocated to the other Members pro rata based on each of their Carried Interest Sharing Percentages in the Subject Investment.

A Member who fails to pay a Net Carried Interest Distribution Recontribution Amount promptly upon notice from the Managing Member (as provided above) shall be deemed a Defaulting Party for all purposes hereof.

A Member may satisfy in part any Net Carried Interest Distribution Recontribution Amount from cash that is then subject to a Holdback, to the extent that the amounts that remain subject to a Holdback satisfy the Holdback requirements hereof as they relate to the reduced amount of aggregate Carried Interest Distributions received by such Member (taking into account any Net Carried Interest Distribution Recontribution Amount contributed to the Company by such Member).

Any Net Carried Interest Distribution Recontribution Amount contributed by a Member, including amounts of cash subject to a Holdback as provided above, shall increase the amount available for distribution to the other Members as Carried Interest Distributions with respect to the Subject Investment; provided, that any such amounts then subject to a Holdback may be so distributed to the other Members to the extent a Member receiving such distribution has satisfied the Holdback requirements with respect to such distribution (taken together with the other Carried Interest Distributions received by such Member to date).

(ii) In the case of Clawback Amounts which are required to be contributed to the Company as otherwise provided herein, the obligation of the Members with respect to any Clawback Amount shall be adjusted by the Managing Member as follows:

(A) determine each Member's share of any Losses in any BCOM Investments which gave rise to the Clawback Amount (i.e., the Losses that followed the last BCOM Investment with respect to which Carried Interest Distributions were made), based on such Member's Carried Interest Sharing Percentage in such BCOM Investments;

(B) determine each Member's obligation with respect to the Clawback Amount based on such Member's Carried Interest Give Back Percentage as otherwise provided herein; and

(C) subtract the amount determined in clause (B) above from the amount determined in clause (A) above with respect to each Member to determine the amount of adjustment to each Member's share of the Clawback Amount (a Member's "Clawback Adjustment Amount").

A Member's share of the Clawback Amount shall for all purposes hereof be decreased by such Member's Clawback Adjustment Amount, to the extent it is a negative number (except to the extent expressly provided below). A Member's share of the Clawback Amount shall for all purposes hereof be increased by such Member's Clawback Adjustment Amount (to the extent it is a positive number); provided, that in no way shall a Member's aggregate obligation to satisfy a Clawback Amount as a result of this clause (ii) exceed the aggregate Carried Interest Distributions received by such Member. To the extent a positive Clawback Adjustment Amount remains after the application of this clause (ii) with respect to a Member, such remaining Clawback Adjustment Amount shall be allocated to the Members (including any Member whose Clawback Amount was increased pursuant to this clause (ii)) pro rata based on their Carried Interest Give Back Percentage (determined without regard to this clause (ii)).

Any distribution or contribution adjustments pursuant to this Section 5.7(e) by the Managing Member shall be based on its good faith judgment, and no Member shall have any claim against the Company, the Managing Member or any other Members as a result of any adjustment made as set forth above. This Section 5.7(e) applies to all Members, including Withdrawn Members.

It is agreed and acknowledged that this Section 5.7(e) is an agreement among the Members and in no way modifies the obligations of each Member regarding the Clawback as provided in the BCOM Agreements.

5.8. Business Expenses . The Company shall reimburse the Members for reasonable travel, entertainment and miscellaneous expenses incurred by them in the conduct of the Company's business in accordance with rules and regulations established by the Managing Member from time to time.

ARTICLE VI

ADDITIONAL MEMBERS; WITHDRAWAL OF MEMBERS; SATISFACTION AND DISCHARGE OF COMPANY INTERESTS; TERMINATION

6.1. Additional Members . (a) Effective on the first day of any month, the Managing Member shall have the right to admit one or more additional persons into the Company as Regular Members or Special Members. The Managing Member shall determine and negotiate with the additional Member all terms of such additional Member's participation in the Company, including the additional Member's initial capital contribution and Profit Sharing Percentage. Each additional Member shall have such voting rights as may be determined by the Managing Member from time to time unless, upon the admission to the Company of any Special Member (including any Special Member), the Managing Member shall designate that such Special Member shall not have such voting rights (any such Special Member being called a " Nonvoting Special Member "). Any additional Member shall, as a condition to becoming a Member, agree to become a party to, and be bound by the terms and conditions of, the Trust Agreement.

(b) The Profit Sharing Percentages to be allocated to an additional Member as of the date such Member is admitted to the Company, together with the pro rata reduction in all other Members' Profit Sharing Percentages as of such date, shall be established by the Managing Member pursuant to Section 5.3.

(c) An additional Member shall be required to contribute to the Company his pro rata share of the Company's total capital, excluding capital in respect of Investments in which such Member does not acquire any interests, at such times and in such amounts as shall be determined by the Managing Member in accordance with Section 4.1.

(d) The admission of an additional Member will be evidenced by (i) the execution of a counterpart copy of this Agreement by such additional Member or (ii) the execution of an amendment to this Agreement by all the Members (including the additional Member), as determined by the Managing Member. In addition, such additional Member shall sign a counterpart copy of the Trust Agreement.

(e)(i) It is hereby agreed and acknowledged that BCOMCA has been admitted to the Company as a Special Member.

(ii) To the extent that a partner of BCOMCA satisfies the repurchase or other requirements set forth in the BCOMCA Partnership Agreement with respect to an Investment, the corresponding portion of BCOMCA's Interest in such Investment shall also become vested (but only on those circumstances).

(iii) If a partner of BCOMCA "Withdraws" (as defined in the BCOMCA Partnership Agreement), the corresponding portion of BCOMCA's Interest in the Company shall be treated as though BCOMCA had Withdrawn from the Company with respect to such Interest. If a partner of BCOMCA "Withdraws" for "Cause" (each as defined in the BCOMCA Partnership Agreement), the corresponding portion of BCOMCA's Interest in the Company shall be treated as though BCOMCA had Withdrawn from the Company for Cause with respect to such Interest;

(iv) If a partner of BCOMCA becomes a "Defaulting Party" (as defined in the BCOMCA Partnership Agreement), the corresponding portion of BCOMCA's Interest in the Company shall be treated as though BCOMCA had become a Defaulting Party with respect to such Interest.

(v) Notwithstanding Section 4.1(d) of the Agreement, the Company shall not contribute any amount of distributions to BCOMCA to the Trust; provided, that BCOMCA makes the contributions to the Trust on behalf of its partners in accordance with the BCOMCA Partnership Agreement;

6.2. Withdrawal of Members . (a) Any Member may Withdraw voluntarily from the Company on the last day of any calendar month, on not less than 15 days' prior written notice by such Member to the Managing Member (or on such shorter notice period as may be mutually agreed upon between such Member and the Managing Member); provided, that a Member may not voluntarily Withdraw without the consent of the Managing Member if such Withdrawal would (i) cause the Company to be in default under any of its contractual obligations or (ii) in the reasonable judgment of the Managing Member, have a material adverse effect on the Company or its business.

(b) Upon the Withdrawal of any Member, including by the occurrence of any withdrawal event under the LLC Act with respect to any Member, such Member shall thereupon cease to be a Member, except as expressly provided herein.

(c) Upon the Total Disability of a Regular Member, such Member shall thereupon cease to be a Regular Member; provided, that the Managing Member may elect to admit such Withdrawn Member to the Company as a Non-Voting Special Member with such Interest as the Managing Member may determine. The determination of whether any Member has suffered a Total Disability shall be made by the Managing Member in its sole discretion after consultation with a qualified medical doctor. In the absence of agreement between the Managing Member and such Member, each party shall nominate a qualified medical doctor and the two doctors shall select a third doctor, who shall make the determination as to Total Disability.

(d) If the Managing Member determines or with a Majority in Interest of the Members that it shall be in the best interests of the Company for any Member (including any Member who has given notice of voluntary Withdrawal pursuant to paragraph (a) above) to Withdraw from the Company (whether or not Cause exists), such Member, upon written notice by the Managing Member to such Member, shall be required to Withdraw as of a date specified in such notice, which date shall be on or after the date of such notice. If the Managing Member requires any Member to Withdraw for Cause, such notice shall state that it has been given for Cause and shall describe the particulars thereof in reasonable detail.

(e) The withdrawal from the Company of any Member shall not, in and of itself, affect the obligations of the other Members to continue the Company during the remainder of its term.

6.3. Company Interests Not Transferable . (a) No Member may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Member's Interest other than as permitted by written agreement between such Member and the Company; provided , that this Section 6.3 shall not impair transfers by operation of law, transfers by will or by other testamentary instrument occurring by virtue of the death or dissolution of a Member, or transfers required by trust agreements; provided further , that a Regular Member may transfer, for estate planning purposes, up to 25% of his Profit Sharing Percentage to any estate planning trust, limited partnership, or limited liability company with respect to which a Regular Member controls investments related to any interest in the Company held therein (an "Estate Planning Vehicle"). Each Estate Planning Vehicle will be a Nonvoting Special Member. Such Regular Member and the Nonvoting Special Member shall be jointly and severally liable for all obligations of both such Regular Member and such Nonvoting Special Member with respect to the Company (including the obligation to make additional capital contributions), as the case may be. The Managing Member may at its sole option exercisable at any time require any Estate Planning Vehicle to withdraw from the Company on the terms of this Article VI. Except as provided in the second proviso to the first sentence of this Section 6.3, no assignee, legatee, distributee, heir or transferee (by conveyance, operation of law or otherwise) of the whole or any portion of any Member's Interest shall have any right to be a Member without the prior written consent of the Managing Member (which consent may be withheld without giving reason therefor). Notwithstanding the granting of a security interest in the entire Interest of any Member, such Member shall continue to be a Member of the Company.

6.4. Consequences upon Withdrawal of a Member . (a) The Withdrawal of a Regular Member shall not dissolve the Company if at the time of such Withdrawal there are one or more remaining Regular Members and any one or more of such remaining Regular Members continue the business of the Company (any and all such remaining Regular Members being hereby authorized to continue the business of the Company without dissolution and hereby agreeing to do so). Notwithstanding Section 6.4(b), if upon the Withdrawal of a Regular Member there shall be no remaining Regular Member, the Company shall be dissolved and shall be wound up unless, within 90 days after the occurrence of such Withdrawal, all remaining Special Members agree in writing to continue the business of the Company and to the appointment, effective as of the date of such Withdrawal, of one or more Regular Members.

(b) The Company shall not be dissolved, in and of itself, by the Withdrawal of any Member, but shall continue with the surviving or remaining Members as members thereof in accordance with and subject to the terms and provisions of this Agreement.

6.5. Satisfaction and Discharge of a Withdrawn Member's Intereust . (a) As used in this Agreement, (i) the term "Withdrawn Member" shall mean a Member whose interest in the Company has been terminated for any reason, including the occurrence of an event specified in Section 6.2, and shall include, unless the context requires otherwise, the estate or legal representatives of any such Member, (ii) the term "Withdrawal Date" shall mean the date of the Withdrawal from the Company of a Withdrawn Member and (iii) the term " Settlement Date " shall mean the date as of which a Withdrawn Member's Interest is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Regular Member who Withdraws from the Company, and all or any portion of his Interest is retained as a Special Member, shall be considered a Withdrawn Member for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Member's interest in the Company may be agreed to by the Managing Member and a Withdrawn Member, a Withdrawn Member's Settlement Date shall be his Withdrawal Date; provided, that if a Withdrawn Member's

Withdrawal is not the last day of a month, then the Managing Member may elect for such Withdrawn Member's Settlement Date to be the last day of the month in which his Withdrawal Date occurs. During the interval, if any, between a Withdrawn Member's Withdrawal Date and Settlement Date, such Withdrawn Member shall have the same rights and obligations with respect to capital contributions, interest on capital, allocations of Net Income (Loss) and distributions as would have applied had such Withdrawn Member remained a Member of the Company during such period.

(c) In the event of the Withdrawal of a Member, the Managing Member shall promptly after such Withdrawn Member's Settlement Date (i) determine and allocate to the Withdrawn Member's capital account such Withdrawn Member's allocable share of the Net Income (Loss) of the Company for the period ending on such Settlement Date in accordance with Article V and (ii) credit the Withdrawn Member's capital account with interest in accordance with Section 5.2. In making the foregoing calculations, the Managing Member shall be entitled to establish such reserves (including reserves for taxes, bad debts, unrealized losses, actual or threatened litigation or any other expenses, contingencies or obligations) as it deems appropriate. Unless otherwise determined by the Managing Member in a particular case, a Withdrawn Member shall not be entitled to receive any Unallocated Percentage in respect of the accounting period during which such Member Withdraws from the Company (whether or not previously awarded or allocated) or Unallocated Percentage in respect of prior accounting periods that have not been paid or allocated (whether or not previously awarded) as of such Withdrawn Member's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Member, the Withdrawn Member's Profit Sharing Percentages shall, unless otherwise allocated by the Managing Member pursuant to Section 5.3(a), be deemed to be Unallocated Percentages (except for Profit Sharing Percentages with respect to Investments as provided in paragraph (f) below).

(e)(i) Upon the Withdrawal from the Company of a Member, such Withdrawn Member thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Member (including voting rights), and such Withdrawn Member shall not have any interest in the Company's Net Income (Loss), distributions, Investments or other assets. If a Member Withdraws from the Company for any reason other than for Cause pursuant to Section 6.2, then the Withdrawn Member shall be entitled to receive, at the time or times specified in paragraph (i) below, in satisfaction and discharge in full of the Withdrawn Member's Interest, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Member's capital accounts, (excluding any capital account or portion thereof attributable to any Investment) and (y) the Withdrawn Member's percentage interest attributable to each Investment in which the Withdrawn Member has an interest as of the Settlement Date as provided in paragraph (f) below (which shall be settled in accordance with paragraph (f) below), subject to all the terms and conditions of paragraphs (a)-(r) of this Section 6.5. If the amount determined pursuant to clause (x) above is an aggregate negative balance, the Withdrawn Member shall pay the amount thereof to the Company upon demand by the Managing Member on or after the date of the statement referred to in paragraph (i) below; provided, that if the Withdrawn Member was solely a Special Member on his Withdrawal Date, such payment shall be required only to the extent of any amounts payable to such Withdrawn Member pursuant to this Section 6.5. Any aggregate negative balance in the capital accounts of a Withdrawn Member who was solely a Special Member, upon the settlement of such Withdrawn Member's Interest pursuant to this Section 6.5, shall be allocated among the other Members' capital accounts in accordance with their respective Profit Sharing Percentages in the categories of Net Income (Loss) giving rise to such negative balance as determined by the Managing Member as of such Withdrawn Member's Settlement Date. In the settlement of any Withdrawn Member's interest in the Company, no value shall be ascribed to goodwill, the Company name or the anticipation of any value the Company or any successor thereto might have in the event the Company or any interest therein were to be sold in whole or in part.

(ii) Notwithstanding clause (i) of this Section 6.5(e), in the case of a Member whose Withdrawal resulted from such Member's death or Incompetence, such Member's estate or legal representative, as the case may be, may elect, at the time described below, to receive a Nonvoting Special Member Interest and retain such Member's Profit Sharing Percentage in all (but not less than all) illiquid investments of the Company in lieu of a cash payment (or Note) in settlement of that portion of the Withdrawn Member's interest. The election referred to above shall be made within 60 days after the Withdrawn Member's Settlement Date, based on a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Member's "percentage interest" means his Profit Sharing Percentage as of the Settlement Date in the relevant Investment. The Withdrawn Member shall retain his percentage interest in such Investment and shall retain his capital account or portion thereof attributable to such Investment, in which case such Withdrawn Member shall become and remain a Special Member for such purpose (and, if the Managing Member so designates, such Special Member shall be a Nonvoting Special Member). The Interests of a Withdrawn Member pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to Interests of any kind hereunder and such other terms and conditions as are established by the Managing Member. At the option of the Managing Member in its sole discretion, the Managing Member and the Withdrawn Member may agree to have the Company acquire such interests without the approval of the other Members; provided, that the Managing Member shall reflect in the books and records of the Company the terms of any acquisition pursuant to this sentence.

(g) The Managing Member may elect, in lieu of payment in cash of any amount payable to a Withdrawn Member pursuant to paragraph (e) above, to have the Company issue the Withdrawn Member a subordinated promissory note as provided in paragraph (k) below and/or to distribute in kind to the Withdrawn Member such Withdrawn Member's pro rata share (as determined by the Managing Member) of any securities or other investments of the Company. If any securities or other investments are distributed in kind to a Withdrawn Member under this paragraph (g), the amount described in clause (x) of paragraph (e) shall be reduced by the value of such distribution as valued on the latest balance sheet of the Company in accordance with generally accepted accounting principles or, if not appearing on such balance sheet, as reasonably determined by the Managing Member.

(h) [Intentionally Omitted].

(i) Within 120 days after each Settlement Date, the Managing Member shall submit to the Withdrawn Member a statement of the settlement of such Withdrawn Member's interest in the Company pursuant to this Section 6.5 together with any cash payment, subordinated promissory note (as referred to in paragraph (k) (below) and in kind distributions to be made to such Member as shall be determined by the Managing Member. The Managing Member shall submit to the Withdrawn Member supplemental statements with respect to additional amounts payable to or by the Withdrawn Member in respect of the settlement of his interest in the Company (e.g., payments in respect of Investments pursuant to paragraph (f) above or adjustments to reserves pursuant to paragraph (j) below) promptly after such amounts are determined by the Managing Member. To the fullest extent permitted by law, such statements and the valuations on which they are based shall be accepted by the Withdrawn Member without examination of the accounting books and records of the Company or other inquiry. Any amounts payable by the Company to a Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment or provision for payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to the applicable date of payment or distribution; provided, that such Withdrawn Member shall otherwise rank pari passu in right of payment (x) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year before the Withdrawal Date of the Withdrawn Member in question and (y) with all persons who become Withdrawn Members and whose Withdrawal Date is within one year after the Withdrawal Date of the Withdrawn Member in question.

(j) If the aggregate reserves established by the Managing Member as of the Settlement Date in making the foregoing calculations should prove, in the determination of the Managing Member, to be excessive or inadequate, the Managing Member may elect, but shall not be obligated, to pay the Withdrawn Member or his estate such excess, or to charge the Withdrawn Member or his estate such deficiency, as the case may be.

(k) Any amounts owed by the Withdrawn Member to the Company at any time on or after the Settlement Date (e.g., outstanding Company loans or advances to such Withdrawn Member) shall be offset against any amounts payable or distributable by the Company to the Withdrawn Member at any time on or after the Settlement Date or shall be paid by the Withdrawn Member to the Company, in each case as determined by the Managing Member. All cash amounts payable by a Withdrawn Member to the Company under this Section 6.5 shall bear interest from the due date to the date of payment at a floating rate equal to the lesser of (x) the rate of interest publicly announced from time to time by Morgan Guaranty Trust Company of New York in New York City as its prime rate and (y) the maximum rate of interest permitted by applicable law. The "due date" of amounts payable by a Withdrawn Member pursuant to paragraph (i) above shall be 120 days after a Withdrawn Member's Settlement Date. The "due date" of amounts payable to or by a Withdrawn Member in respect of Investments for which the Withdrawn Member has retained a percentage interest in accordance with paragraph (f) above shall be 120 days after realization with respect to such Investment. The "due date" of any other amounts payable by a Withdrawn Member shall be 60 days after the date such amounts are determined to be payable.

(l) At the time of the settlement of any Withdrawn Member's interest in the Company pursuant to this Section 6.5, the Managing Member may, to the fullest extent permitted by applicable law, impose any restrictions it deems appropriate on the assignment, pledge, encumbrance or other transfer by such Withdrawn Member of any interest in any Investment retained by such Withdrawn Member, any securities or other investments distributed in kind to such Withdrawn Member or such Withdrawn Member's right to any payment from the Company.

(m) If a Member is required to Withdraw from the Company for Cause pursuant to Section 6.2(d), then his Interest shall be settled in accordance with paragraphs (a)-(n) of this Section 6.5; provided, that the Managing Member may elect (but shall not be required) to apply any or all the following terms and conditions to such settlement:

(i) In settling the Withdrawn Member's interest in any Investment in which he has an interest as of his Settlement Date, the Managing Member may elect to (A) determine the Unrealized Net Income (Loss) attributable to each such Investment as of the Settlement Date and allocate to the appropriate capital account of the Withdrawn Member his allocable share of such Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Member's capital account pursuant to clause (x) of paragraph (e) above, (B) credit or debit, as applicable, the Withdrawn Member with the balance of his capital account or portion thereof attributable to each such Investment as of his Settlement Date without giving effect to the Unrealized Net Income (Loss) from such Investment as of his Settlement Date, which shall be forfeited by the Withdrawn Member or (C) apply the provisions of paragraph (f) above, provided, that the maximum amount of Net Income (Loss) allocable to such Withdrawn Member with respect to any Investment shall equal such Member's percentage interest of the Unrealized Net Income, if any, attributable to such Investment as of the Settlement Date (the balance of such Net Income (Loss), if any, shall be allocated as determined by the Managing Member). The Withdrawn Member shall not have any continuing interest in any Investment to the extent an election is made pursuant to (A) or (B) above.

(ii) Any amounts payable by the Company to the Withdrawn Member pursuant to this Section 6.5 shall be subordinate in right of payment and subject to the prior payment in full of claims of all present or future creditors of the Company or any successor thereto arising out of matters occurring prior to or on or after the applicable date of payment or distribution.

(n) The payments to a Withdrawn Member pursuant to this Section 6.5 may be conditioned on the compliance by such Withdrawn Member with any lawful and reasonable (under the circumstances) restrictions against engaging or investing in a business competitive with that of the Company or any of its subsidiaries and affiliates for a period not exceeding two years determined by the Managing Member. Upon written notice to the Managing Member, any Withdrawn Member who is subject to noncompetition restrictions established by the Managing Member pursuant to this paragraph (o) may elect to forfeit the principal amount payable in the final installment of his subordinated promissory note under paragraph (k) above, together with interest to be accrued on such installment after the date of forfeiture, in lieu of being bound by such restrictions.

(o) In addition to the foregoing, the Managing Member shall have the right to pay a Withdrawn Member (other than the Managing Member) a discretionary additional payment in an amount and based upon such circumstances and conditions as it determines to be relevant.

(p)(i) The Company will assist a Withdrawn Member or his estate or guardian, as the case may be, in the settlement of the Withdrawn Member's Interest in the Company. Third party costs incurred by the Company in providing this assistance will be borne by the Withdrawn Member or his estate.

(ii) The Company may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Members or their estates or guardians, as referred to above. In such instances, the Company will obtain the prior approval of a Withdrawn Member or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his estate or guardian) declines to incur such costs, the Company will provide such reasonable assistance as and when it can so as not to interfere with the Company's day-to-day operating, financial, tax and other related responsibilities to the Company and the Members.

6.6. Dissolution of the Company . The Managing Member may dissolve the Company prior to the expiration of its term at any time on not less than 60 days' notice of the dissolution date given to the other Members. Upon the dissolution of the Company, and following the payment of creditors of the Company and the making of provisions for the payment of any contingent, conditional or unmatured claims known to the Company as required under the LLC Act, the Members' respective interests in the Company shall be valued and settled in accordance with the procedures set forth in Sections 5.9 and 6.5 which provide for allocations to the capital accounts of the Members and distributions in accordance with the capital account balances of the Members. The Managing Member shall be the liquidators. In the event that the Managing Member are unable to serve as liquidators, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Members voting at a meeting of Members (excluding Nonvoting Special Members).

6.7. Certain Tax Matters . (a) All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members for Federal, state and local income tax purposes in the same manner as such items of income, gain, loss, deduction and credit shall be allocated among the

Members pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. To the extent Treasury Regulations promulgated pursuant to Subchapter K of the Code (including under Sections 704(b) and (c) of the Code) or other applicable law require allocations for tax purposes that differ from the foregoing allocations, the Managing Member may determine the manner in which such tax allocations shall be made so as to comply more fully with such Treasury Regulations or other applicable law and, at the same time, preserve the economic relationships among the Members as set forth in this Agreement. In the event there is a net decrease in partnership minimum gain or partner nonrecourse debt minimum gain (determined in accordance with the principles of Regulation Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Company, each Member shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to its respective share of such net decrease during such year, determined pursuant to Regulations Sections 1.704-2(g) and 1.704-2(i)(5). The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(f).

(b) The Managing Member shall cause to be prepared all Federal, state and local tax returns of the Company for each year for which such returns are required to be filed and, after approval of such returns by the Managing Member, shall cause such returns to be timely filed. The Managing Member shall determine the appropriate treatment of each item of income, gain, loss, deduction and credit of the Company and the accounting methods and conventions under the tax laws of the United States, the several states and other relevant jurisdictions as to the treatment of any such item or any other method or procedure related to the preparation of such tax returns. The Managing Member may cause the Company to make or refrain from making any and all elections permitted by such tax laws. Each Member agrees that he shall not, unless he provides prior notice of such action to the Company, (i) treat, on his individual income tax returns, any item of income, gain, loss, deduction or credit relating to his interest in the Company in a manner inconsistent with the treatment of such item by the Company as reflected on the Form K-1 or other information statement furnished by the Company to such Member for use in preparing his income tax returns or (ii) file any claim for refund relating to any such item based on, or which would result in, such inconsistent treatment. In respect of an income tax audit of any tax return of the Company, the filing of any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company, or any administrative or judicial proceedings arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, (A) the Tax Matters Member (as defined below) shall be authorized to act for, and his decision shall be final and binding upon, the Company and all Members except to the extent a Member shall properly elect to be excluded from such proceeding pursuant to the Code, (B) all expenses incurred by the Tax Matters Member in connection therewith (including, without limitation, attorneys', accountants' and other experts' fees and disbursements) shall be expenses of the Company and (C) no Member shall have the right to (1) participate in the audit of any Company tax return, (2) file any amended return or claim for refund in connection with any item of income, gain, loss, deduction or credit reflected on any tax return of the Company (unless he provides prior notice of such action to the Company as provided above), (3) participate in any administrative or judicial proceedings conducted by the Company or the Tax Matters Member arising out of or in connection with any such audit, amended return, claim for refund or denial of such claim, or (4) appeal, challenge or otherwise protest any adverse findings in any such audit conducted by the Company or the Tax Matters Member or with respect to any such amended return or claim for refund filed by the Company or the Tax Matters Member or in any such administrative or judicial proceedings conducted by the Company or the Tax Matters Member. The Company and each Member hereby designate any Member selected by the Managing Member as the "tax matters partner" for purposes of Section 6231(a)(7) of the Code (the " Tax Matters Member "). To the fullest extent permitted by applicable law, each Member agrees to indemnify and hold harmless the Company and all other Members from and against any and all liabilities, obligations, damages, deficiencies and expenses resulting from any breach or violation by such Member of the provisions of this Section 6.7 and from all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees and disbursements, incident to any such breach or violation.

(c) Each individual Member shall provide to the Company copies of each Federal, state and local income tax return of such Member (including any amendment thereof) within 30 days after filing such return.

6.8. Special Basis Adjustments . In connection with any assignment or transfer of a Company interest permitted by the terms of this Agreement, the Managing Member may cause the Company, on behalf of the Members and at the time and in the manner provided in Code regulation Section 1.754-1(b), to make an election to adjust the basis of the Company's property in the manner provided in Sections 734(b) and 743(b) of the Code.

ARTICLE VII

MISCELLANEOUS

7.1. Submission to Jurisdiction; Waiver of Jury Trial . (a) Any and all disputes which cannot be settled amicably, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in New York in accordance with the then-existing Rules of Arbitration of the International Chamber of Commerce. If the parties to the dispute fail to agree on the selection of an arbitrator within thirty (30) days of the receipt of the request for arbitration, the International Chamber of Commerce shall make the appointment. The arbitrator shall be a lawyer and shall conduct the proceedings in the English language. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of paragraph (a), the Managing Member may bring, or may cause the Company to bring, on behalf of the Managing Member or the Company or on behalf of one or more Members, an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this paragraph (b), each Member (i) expressly consents to the application of paragraph (c) of this Section 7.1 to any such action or proceeding, (ii) agrees that proof shall not be required that monetary damages for breach of the provisions of this Agreement would be difficult to calculate and that remedies at law would be inadequate, and (iii) irrevocably appoints the Managing Member as such Member's agents for service of process in connection with any such action or proceeding and agrees that service of process upon any such agent, who shall promptly advise such Member of any such service of process, shall be deemed in every respect effective service of process upon the Member in any such action or proceeding.

(c)(i) EACH MEMBER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK, NEW YORK FOR THE PURPOSE OF ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS-OF THIS SECTION 7.1, OR ANY JUDICIAL PROCEEDING ANCILLARY TO AN ARBITRATION OR CONTEMPLATED ARBITRATION ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. Such ancillary judicial proceedings include any suit, action or proceeding to compel arbitration, to obtain temporary or preliminary judicial relief in aid of arbitration, or to confirm an arbitration award. The parties acknowledge that the fora designated by this paragraph (c) have a reasonable relation to this Agreement, and to the parties' relationship with one another.

(ii) The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter may have to personal jurisdiction or to the laying of venue of any such ancillary suit, action or proceeding brought in any court referred to in the preceding paragraph of this Section 7.1 and such parties agree not to plead or claim the same.

(d) Notwithstanding any provision of this Agreement to the contrary, this Section 7.1 shall be construed to the maximum extent possible to comply with the laws of the State of Delaware, including the Delaware Uniform Arbitration Act (10 Del. C. § 5701 et seq.) (the " Delaware Arbitration Act "). If, nevertheless, it shall be determined by a court of competent jurisdiction that any provision or wording of this Section 7.1, including any rules of the International Chamber of Commerce, shall be invalid or unenforceable under the Delaware Arbitration Act, or other applicable law, such invalidity shall not invalidate all of this Section 7.1. In that case, this Section 7.1 shall be construed so as to limit any term or provision so as to make it valid or enforceable within the requirements of the Delaware Arbitration Act or other applicable law, and, in the event such term or provision cannot be so limited, this Section 7.1 shall be construed to omit such invalid or unenforceable provision.

7.2. Ownership and Use of the Company Name . The Company acknowledges that Blackstone Financial Services Inc. (" BFS "), a Delaware corporation with a principal place of business at 345 Park Avenue, New York, New York 10154, (or its successors or assigns) is the sole and exclusive owner of the mark and name BLACKSTONE and that the ownership of, and the right to use, sell or otherwise dispose of, the firm name or any abbreviation or modification thereof which consists of or includes BLACKSTONE, shall belong exclusively to BFS, which company (or its predecessors, successors or assigns) has licensed the Company to use BLACKSTONE in its name. The Company acknowledges that BFS owns the service mark BLACKSTONE for various services and that the Company is using the BLACKSTONE mark and name on a non-exclusive, non-sublicensable and non-assignable basis in connection with its business and authorized activities with the permission of BFS. All services rendered by the Company under the BLACKSTONE mark and name will be rendered in a manner and with quality levels that are consistent with the high reputation heretofore developed for the BLACKSTONE mark by BFS and its affiliates and licensees. The Company understands that BFS may terminate its right to use BLACKSTONE at any time in BFS sole discretion by giving the Company written notice of termination. Promptly following any such termination, the Company will take all steps necessary to change its company name to one which does not include BLACKSTONE or any confusingly similar term and cease all use of BLACKSTONE or any term confusingly similar thereto as a service mark or otherwise. Written Consent. Any action required or permitted to be taken by a vote of Members at a meeting may be taken without a meeting if a Majority in Interest of the Members consent thereto in writing.

7.3. Written Consent . Any action required or permitted to be taken by a vote of Members at a meeting may be taken without a meeting if a Majority in Interest of the Members consent thereto in writing.

7.4. Letter Agreements; Schedules . The Managing Member may, or may cause the Company to, enter into separate letter agreements with individual Members, officers or employees with respect to Profit Sharing Percentages, benefits or any other matter, in each case on terms and conditions not inconsistent with this Agreement. The Managing Member may from time to time execute and deliver to the Members schedules which set forth the then current capital balances and Profit Sharing Percentages of the Members and any other matters deemed appropriate by the Managing Member. Such schedules shall be for information purposes only and shall not be deemed to be part of this Agreement for any purpose whatsoever; provided, that this in no way limits the effectiveness of any Commitment Agreement.

7.5. Governing Law; Separability of Provisions . This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to principles of conflict of laws. In particular, the Company has been formed pursuant to the LLC Act, and the rights and liabilities of the Members shall be as provided therein, except as herein otherwise expressly provided. If any provision of this Agreement shall be held to be invalid, such provision shall be given its meaning to the maximum extent permitted by law and the remainder of this Agreement shall not be affected thereby.

7.6. Successors and Assigns . This Agreement shall be binding upon and shall, subject to the penultimate sentence of Section 6.3(b), inure to the benefit of the parties hereto, their respective heirs and personal representatives, and any successor to a trustee of a trust which is or becomes a party hereto; provided, that no person claiming by, through or under a Member (whether such Member's heir, personal representative or otherwise), as distinct from such Member itself, shall have any rights as, or in respect to, a Member (including the right to approve or vote on any matter or to notice thereof) except the right to receive only those distributions expressly payable to such person pursuant to Article VI. Any Member or Withdrawn Member shall remain liable for the obligations under this Agreement (including any Net Recontribution Amounts) of any transferee of all or any portion of such Member's or Withdrawn Member's interest in the Company, unless waived by the Managing Member. The Company shall, if the Managing Member determines, in its good faith judgment, based on the standard set forth in Section 5.7(d)(ii)(A), to pursue such transferee, pursue payment (including any Net Recontribution Amounts) from the transferee with respect to any such obligations. Nothing in this Agreement is intended, nor shall anything herein be construed, to confer any rights, legal or equitable, on any person other than the Members and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, the provisions of Section 5.7(d) (and the definitions relating thereto) shall inure to the benefit of the limited partners in BCOM, such limited partners are intended third party beneficiaries of Section 5.7(d) (and the definitions relating thereto) and such limited partners shall have the right to enforce the provisions thereof to the extent Other Fund GPs do not satisfy the Clawback Provisions and/or the Giveback Provisions. The amendment of the provisions of Section 5.7(d) (and the definitions relating thereto) shall be effective against such limited partners only with the consent of the limited partners of BCOM as set forth in the BCOM Agreement.

7.7. Confidentiality . By executing this Agreement, each Member expressly agrees, at all times during the term of the Company and thereafter and whether or not at the time a Member of the Company, to maintain the confidentiality of, and not to disclose to any person other than the Company, another Member or a person designated by the Company, any information relating to the business, financial structure, financial position or financial results, clients or affairs of the Company that shall not be generally known to the public or the securities industry, except as otherwise required by law or by any regulatory or self-regulatory organization having jurisdiction; provided, that any corporate Member may disclose any such information it is required by law, rule, regulation or custom to disclose.

7.8. Notices . Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including telecopy or similar writing) and shall be given to any Member at its address or telecopy number shown in the Company's books and records or, if given to the Managing Member, at the address of the Company provided herein. Each such notice shall be effective (i) if given by telecopy, upon dispatch, (ii) if given by mail, when deposited in the mails (first class or airmail postage prepaid) addressed as aforesaid and (iii) if given by any other means, when delivered to the address of such Member or the Managing Member specified as aforesaid.

7.9. Counterparts . This Agreement may be executed in any number of counterparts, all of which together shall constitute a single instrument.

7.10. Power of Attorney . Each Member hereby irrevocably appoints the Managing Member as such Member's true and lawful representative and attorney-in-fact, each acting alone, in such Member's name, place and stead, to make, execute, sign and file all instruments, documents and certificates which, from time to time, may be required to set forth any amendment to this Agreement or may be required by this Agreement or by the laws of the United States of America, the State of Delaware or any other state in which the Company shall determine to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Company. Such power of attorney is coupled with an interest and shall survive and continue in full force and effect notwithstanding the subsequent Withdrawal from the Company of any Member for any reason and shall not be affected by the subsequent disability or incapacity of such Member.

7.11. Member's Will . Each Member and Withdrawn Member shall include in his or her will a provision substantially identical to the books and records of the Company that addresses certain matters in respect of his or her obligations relating to the Company that is satisfactory to the Managing Member and each such Member and Withdrawn Member shall confirm annually to the Company, in writing, that such provision remains in his current will. Where applicable, any estate planning trust of such Member or Withdrawn Member to which a portion of such Member's or Withdrawn Member's Interest is transferred shall include a provision substantially similar to such provision and the trustee of such trust shall confirm annually to the Company, in writing, that such provision or its substantial equivalent remains in such trust. In the event any Member or Withdrawn Member fails to comply with the provisions of this Section 7.10 after the Company has notified such Member or Withdrawn Member of his failure to so comply and such failure to so comply is not cured within 30 days of such notice, the Company may withhold any and all distributions to such Member until the time at which such party complies with the requirements of this Section 7.10.

7.12. Cumulative Remedies . Rights and remedies under this Agreement are cumulative and do not preclude use of other rights and remedies available under applicable law.

7.13. Legal Fees . Except as more specifically provided herein, in the event of a legal dispute (including litigation, arbitration or mediation) between any Member or Withdrawn Member and the Company, arising in connection with any party seeking to enforce Section 4.1 (d) or any other provision of this Agreement relating to the Holdback, the Clawback Amount, the Giveback Amount or the Recontribution Amount, the "losing" party to such dispute shall promptly reimburse the "victorious party" for all reasonable legal fees and expenses incurred in connection with such dispute (such determination to be made by the relevant adjudicator). Any amounts due under this Section 7.12 shall be paid within 30 days of the date upon which such amounts are due to be paid and such amounts remaining unpaid after such date shall accrue interest at the Default Interest Rate.

7.14. Entire Agreement . This Agreement embodies the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. Subject to Section 7.4, this Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written. In the event that it is impracticable to obtain the signature of any of the Members to this Agreement, this Agreement shall be binding among the other Members executing the same.

MANAGING MEMBER:

BLACKSTONE HOLDINGS III L.P.

By: Blackstone Holdings III GP L.L.C.,
its General Partner

By: /s/ Stephen A. Schwarzman
Name: Stephen A. Schwarzman
Title: Authorized Person

Exhibit 31.1

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Stephen A. Schwarzman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended June 30, 2007 of The Blackstone Group L.P. ;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the period presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   c) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: August 13, 2007

/s/ Stephen A. Schwarzman
Stephen A. Schwarzman
Chief Executive Officer

Exhibit 31.2

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Michael A. Puglisi, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended June 30, 2007 of The Blackstone Group L.P.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the period presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: August 13, 2007

/s/ Michael A. Puglisi
Michael A. Puglisi
Chief Financial Officer

Exhibit 32.1

Certification of the Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of The Blackstone Group L.P. (the "Partnership") on Form 10-Q for the period ended June 30, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen A. Schwarzman, Chief Executive Officer of Blackstone Group Management L.L.C., the general partner of the Partnership, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

Date: August 13, 2007

/s/ Stephen A. Schwarzman
Stephen A. Schwarzman
Chief Executive Officer

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* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

Certification of the Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of The Blackstone Group L.P. (the "Partnership") on Form 10-Q for the period ended June 30, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael A. Puglisi, Chief Financial Officer of Blackstone Group Management L.L.C., the general partner of the Partnership, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

Date: August 13, 2007

/s/ Michael A. Puglisi
Michael A. Puglisi
Chief Financial Officer

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* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.